BASIC ESTATE PLANNING

PRACTICAL SKILLS SERIES

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In Memory of Robert J. Pinto
(1936-1999)

My law partner, my mentor, my father,
a man distinguished in his profession,
a true gentleman to all that knew him,
a generous, kind and loving father.

Lisa

TABLE OF CONTENTS

INTRODUCTION 1

CHAPTER I: INITIAL INTERVIEW 3
- Information Gathering 4
- Registration of Assets 4
- Executors, Trustees & Guardians 5
  - Executors 5
  - Trustees 6
  - Guardians 7
- Discussion of Tax Consequences 8
  - Federal Estate Tax 8
    - Historical Background 8
    - Current Federal Estate Tax 10
  - New Jersey Estate Tax 10
  - New Jersey Inheritance Tax 13
- Retainer Letter 13

CHAPTER II: ESTATE PLAN SUMMARY 19
- General Considerations 20
- Outright Distribution Will 20
- Disclaimer Trust Will 23
  - Outright Distribution Approach 23
  - Disclaimer Trust Will Approach 26
- Marital Deduction Will 36
  - Outright Distribution Approach 36
  - Marital Deduction Will Approach 39
  - QTIP Trusts 40
- Mechanics of Establishing a Trust Under a Will 49
- The Single Client 50
- Special Needs Trust 50
- Revocable Living Trust 50
- Other Estate Tax Planning Techniques 51
  - Reducing the Size of Estate Through Gifting 51
    - Annual Exclusion 51
    - Unlimited Gift Tax Marital Deduction 52
    - Gift Tax Exemption 52
    - Death Bed Gifts 52
    - School Tuition and Medical Expenses 52
  - Irrevocable Insurance Trust 53
  - Qualified Personal Residence Trust (QPRT) 53
  - Family Limited Partnership 55
- Other Estate Planning Documents 56
  - Power of Attorney 56
  - The Living Will 57

Proxy Directive 57
Instruction Directive 58
Combined Directive 58
Required Formalities 59
Requirements of Operation 59
Circumstances Where Instructions Will Be Honored 59
Role of Health Care Institution 60
Patient's Self-Determining Act 60

CHAPTER III: DRAFTING DOCUMENTS 61
Drafting the Will 62
Clauses 62
Testator Clause/Exordium Clause 62
Payment of Debts Clause 62
Payment of Taxes Clause 63
Disposition of Tangible Personal Property Clause 63
Memorandum Clause 64
Bequest Clause 65
Charitable Bequest Clause 65
Distribution of Real Property Clause 66
Residuary Clause 66
Total Disaster Clause 67
Fiduciaries 67
Powers Clause 67
Testimonium Clause 69
Self-Proving Wills 70
Acknowledgement and Affidavit Relating to Execution of Will 70

CHAPTER IV: EXECUTION AND FINAL MEETING 73
Execution of the Will 74
Retention of the Will 74
Continuing Responsibility to the Client 74
Reviewing the Will 74
Letter of Instruction 75
Sample Codicils 78

APPENDIX A 81
Financial Planning Workform 82
Property List 84
Considerations When Making or Revising a Will 88
New Jersey Transfer Inheritance Tax Rates 89
Letter of Instruction to Heirs 90
N.J.S.A. 3B:4-1 Through 3B:4-6 Testamentary Addition to Trusts 93
N.J.S.A. 3B:6-1 Through 3B:6-7 Uniform Simultaneous Death Law 94
N.J.S.A. 3B:14-23 Power of Fiduciaries 95

APPENDIX B 99
Outright Distribution Will Form with Trust for Children 100
Outright Distribution Will with Contingent Trust for Descendants Under Age X 106
Outright Marital Deduction Pecuniary Formula Will 119
Disclaimer Trust Will 144
Pour Over Will to Revocable Trust 167
Sample Will Clauses 180
Entire Estate in Trust for Spouse 188
QTIP Marital Deduction Pecuniary Formula Will 207
Form for Disposing of Tangible Personal Property (1) 234
Form for Disposing of Tangible Personal Property (2) 235
Planning for the New Jersey Estate Tax 236

APPENDIX C 239
Durable Power of Attorney 240
"Living Will" 244
Health Care Proxy Directive 248
Instrument of Anatomical Gift 252
Revocable Living Trust 254
Irrevocable Life Insurance Trust for Single Life Policies 284
Irrevocable Life Insurance Trust for Joint and Survivor (Last To Die) Policies 315
Instructions for Trustee of Irrevocable Insurance Trust 342
Sample Notice Letter to be Used with Irrevocable Insurance Trust 343
Disclaimers
Documents and Definitions 344
N.J.S.A. 3B:9-1 Throught 3B:9-14 Disclaimers of Transfers by Will; Under Powers of Testamentary Appointment or by Intestate Succession 346
§ 2518 Disclaimers 351
Disclaimer of 100% of Joint Account 376
Formula Disclaimer of Real Estate after Severance of Joint Tenancy 379
FL Formula Disclaimer of Share of Residue after Taxes 383
Disclaimer of Survivorship Right after Partial Acceptance 387
Disclaimer of Intestate Estate with Real Property 390
Disclaimer by Executor: Verified Complaint 394
Disclaimer by Executor Pursuant to Court Order 402
NJ Disclaimer by a Minor (NY Resident) of Residuary and Intestate Estates 406
FL Disclaimer of Power by Executor 413
Disclaimer of Dollar Amount with Formula Reduction if Tax Payable 417
Formula Disclaimer Clause: Taxable Estate Not to Exceed X Dollars 421
Disclaimer by Executor – Order to Show Cause 422
Disclaimer by Executor – Court Order 425
NJ Disclaimer of Fraction of Residuary and Intestate Estates by Brother and Sister 426
Disclaimer of Power by Holder (Beneficiary) 432
Disclaimer of Survivorship Right in NJ Real Property 436
Additional Formula Disclaimers 440

INTRODUCTION

What is an estate plan? An estate plan is the orderly disposition of one's probate and non-probate assets in accordance with an individual's wishes and desires. An estate plan includes not only the preparation of a Last Will and Testament, but may include a Power of Attorney, Living Will, Irrevocable Insurance Trust or more sophisticated documents, as well as analysis of asset ownership and tax consequences, all of which are discussed in more detail in this book.

Without an estate plan (*i.e.*, a Will) an individual's assets will pass by the laws of intestacy (see N.J.S.A. 3B:5-1 *et seq.*). No matter how large or small one's estate is, it is unlikely that a client would not want control over the distribution of their assets. Furthermore, in this day and age of "blended families" it is more important than ever to set forth a clear plan of distribution.

The format in this book is based on the process we go through with almost every client that comes through our office: the initial interview, the discussion of the estate plan summary, drafting documents and execution of the documents at the final meeting.

CHAPTER I

INITIAL INTERVIEW

INFORMATION GATHERING

The attorney's first goal in an initial interview is to put the client at ease. The attorney, during this interview, must obtain information about the client's family and assets and determine the fair market value of each of these assets as well as how the assets are owned. If the client is uncomfortable discussing his or her personal affairs with the attorney, the attorney cannot effectively prepare an estate plan.

Where does one begin with respect to estate planning or the drafting of a Will? Before the attorney can begin on any project, he or she must have all the facts. Insofar as the preparation of a Will is concerned, this means gathering as much information as possible about the client's intent, the nature and value of the assets and how the assets are registered.

To assist in gathering the information concerning the client's background, the size of the estate, and the quality of the assets, the attorney should use some type of information gathering form so that important information is not overlooked. The attorney may prepare his or her own form or use forms that are often available through financial planning companies, trust companies and online. Some estate planning attorneys have their information gathering forms online for all to view and utilize. Regardless of the form, it is imperative to assure the client that the reason for this information is *not* for determining what the attorney's fees will be, but for the purpose of determining whether any significant tax problems exist from a *Federal Estate Tax, New Jersey Estate Tax* or a *New Jersey Inheritance Tax* standpoint.

The usual information gathering forms include the names of the Testator, spouse, children, parents and siblings, and their respective ages and addresses. Other necessary background information includes the citizenship of all parties, any relevant disabilities, names of minors or dependents, children attending college or who will be attending college, *etc.*

The forms usually break down the Testator's assets into several categories: real estate, investments (including stocks, bonds, Series E Savings Bonds, *etc.*), business investments (both group and personal) and employee benefits (pension and profit-sharing plans, stock option plans, and savings plans). In addition, the form should list miscellaneous assets such as boats, airplanes, antiques, jewelry, and other personal effects.

Conducting a very detailed interview with the client will help in determining the complexity of the Will required for maximum estate tax savings. In many cases, the client may feel reluctant to give a true and total picture of his or her assets, but the attorney must convey to the client that it is important to know the size of the estate in order to draw the proper Will.

Based on the initial information, the following issues should be discussed with the client:

* Registration of Assets
* Executors, Trustees and Guardians
* Tax Consequences
* Retainer Letter

REGISTRATION OF ASSETS

How the assets are registered, *i.e.,* individually, jointly, in trust for, tenants-by-the-entirety, tenants-in-common, payable on death (POD), *etc.* is important because the attorney must determine which assets are going to be controlled by the client's Will. There are two estates: the non-probate estate which passes outside the control of the Will and the probate estate which is controlled by the Will. The attorney must emphasize to the client that a Will controls only the property in his or her *individual* name and any interest held as tenants-in-common (*i.e.,* probate assets). In contrast, property held as joint tenants with the right of

survivorship (JTWROS) pass outside the control of the Will to the surviving joint owner at the time of death by operation of law. In addition, assets with a designated beneficiary such as an insurance policy or retirement accounts (*i.e.*, IRAs, 401Ks, *etc.*) pass outside the control of the Will to the named beneficiary.

For estate planning purposes, the attorney should encourage the clients to divide ownership of all property so that 50% is in the husband's individual name and 50% is in the wife's name or, at the very least, to change the ownership to tenants-in-common. The reason for this suggestion is to enable each spouse to take maximum advantage of the applicable exclusion amount. At the death of the first spouse, property that is registered as joint tenants with the right of survivorship will pass automatically to the surviving spouse completely outside the control of the Will. If it is a tax planned Will with a tax exempt "bypass trust," there will be no assets to fund the trust under the Will unless the assets are registered in the Testator's name individually or as tenants-in-common with another individual. Without assets being reregistered as outlined above, there may be a greater tax at the surviving spouse's subsequent death. The re-registration of assets applies to real estate as well as bank and brokerage accounts. There are no adverse tax consequences to these re-registrations.

The designation of a beneficiary and owner on a life insurance policy will largely depend on the ultimate estate plan that you recommend for the client. However, generally, if the existing insurance is not being transferred into an Irrevocable Insurance Trust (discussed in more detail later in this book), the beneficiary of the policy should be the insured's estate (*i.e.*, life insurance on the life of Jane Doe should be made payable to the "Estate of Jane Doe"). This means that the life insurance proceeds become a probate asset and therefore will be controlled by the Will.

Generally, it is not advisable or possible in some cases to re-register the ownership of retirement assets such as IRAs and 401K plans. However, it is possible to change the beneficiary designation on these types of assets. Unlike life insurance, in most cases it is not advisable to have retirement assets become probate assets and controlled by the Will. The reason the retirement money should remain a non-probate asset (*i.e.*, payable to a named beneficiary) is that if an estate is named the beneficiary of retirement assets there will be significant income-tax consequences. If the surviving spouse is named as the beneficiary, such spouse (and only a spouse) will have the opportunity to roll-over the retirement asset and to delay the income taxes until such time as mandatory withdrawal is required at age 70. If there is no surviving spouse, as long as there is a designated beneficiary other than the estate, the beneficiary will have the option of taking the retirement money over his or her life expectancy and therefore pay the income tax liability in installments. There is also an option of naming a qualifying trust as a beneficiary of retirement assets, but this is beyond the scope of this text.

EXECUTORS, TRUSTEES & GUARDIANS

After obtaining a complete inventory of the client's assets and determining how these assets are held, an attorney should discuss the responsibilities of the fiduciaries named in the Will. These fiduciaries include Executors, Trustees and Guardians. All too often, attorneys accept what they know to be the functions of these fiduciaries without fully explaining them to the client. In practice, however, the attorney must make every attempt to put into layman's terms the functions of the fiduciaries.

Executors

Under the New Jersey Probate Statutes, an "executor" and an "executrix" and an "administrator" and an "administratrix" are all "personal representatives", and are so designated by the Letters Testamentary (if a Will exists) or Letters of Administration (if the decedent died intestate) issued by the Surrogate. In either event, the duties of the Executor and Administrator are similar. The Letters Testamentary/Executor's

Short Certificate documents are evidence of the Executor's appointment as personal representative of the estate, and gives him or her the authority to act on behalf of the estate.

The Executor has the duty of winding up the decedent's affairs. This involves the assembly, collection and valuation of the decedent's assets, the payment of debts, expenses of administration and taxes, and the distribution of the remaining assets to the persons entitled under the decedent's Last Will and Testament. This is generally described as administering or settling the estate.

It will be necessary for the Executor to open an estate checking account through which assets should be passed and from which bills should be paid. This will allow the Executor to maintain accurate records with regard to the administration of the estate.

The Executor must assemble, collect and value all of the decedent's assets and prepare a cash flow projection so that he or she can anticipate the cash needs of the estate to pay bills, debts and anticipate all tax liabilities and needs of the beneficiaries. All of the income of the estate and accounts receivable must be collected and accounted for.

In addition, The Executor has the job of filing all tax returns in connection with the estate. This can include the decedent's final income tax returns (IRS and NJ Forms 1040), Federal and New Jersey Fiduciary Income Tax Returns for the decedent's estate (IRS and NJ Form 1041), as well as a New Jersey Inheritance Tax Return, if applicable, a New Jersey Estate Tax Return for estates over $675,000.00 and a Federal Estate Tax Return (Form 706) for estates over the then-current applicable exclusion amount.

Frequently, a husband will name his wife as his Executrix and the wife will name her husband as Executor. Although this type of decision should be left to the Testator, the attorney's responsibility is to set forth the duties of the Executor. The Testator should understand that a spouse may or may not be qualified to carry out the duties of the Executor (Executrix). Once the client names an Executor (Executrix), the attorney should indicate the importance of naming a contingent Executor (Executrix) should the first named person predecease the Testator or be unable or unwilling to act.

Depending on the complexity and size of the estate's assets, the importance of impartiality and financial expertise and consideration of who the beneficiaries of the estate are, the client may want to designate a corporate executor. For example, if the estate is relatively small or perhaps the sole beneficiary is the spouse or an only child, a corporate executor may not be warranted. However, in situations where the estate is large and may consist of closely-held businesses or other difficult to manage/value assets, or a situation where there are multiple beneficiaries who may or may not have an amicable relationship, a corporate executor may well be advised. These issues should be discussed with the client.

The client should also be made aware that co-executors are also an option. The Testator can designate two or more individuals or an individual and a corporate executor to share the duties.

Trustees

The Trustee's duties consist of the management of assets as well as, in some cases, discretionary distributions to beneficiaries based upon an ascertainable standard set forth in the Will, and the filing of the appropriate fiduciary income tax returns for the Trust. Record keeping, financial expertise, sensitivity to the needs and circumstances of the beneficiaries and trustworthiness are all attributes of a Trustee.

In most Outright Distribution Wills, the need for a Trustee arises only in the event that the husband and wife both die, leaving minor children. Under these circumstances, a Trustee comes into being for the benefit of the minor children. The Trustee has the function of managing the trust assets and making

distributions of income and principal to or for the benefit of the minor children in accordance with the provisions of the Last Will and Testament.

For a husband and wife with tax-planned Wills which have tax exempt bypass trusts, the Trustee is required to manage trust assets for the benefit of the surviving spouse until his or her subsequent death. At that time the trust is distributed to the ultimate beneficiaries, either outright or continued in trust for their benefit.

Clients often question whether or not a surviving spouse should be named as the Trustee or Co-Trustee of a Trust for their benefit under a Will. First and foremost, it should be explained to the client that the establishment of a Trust for the benefit of the surviving spouse is more often than not a technique for saving estate taxes and not a means to financially control the surviving spouse. If the clients are still concerned about the "loss of control," a surviving spouse can be named as Co-Trustee with a provision that principal distributions to the surviving spouse only be made by the non-beneficiary Trustee. In the alternative, some practitioners have designated the surviving spouse as Co-Trustee or sole Trustee with an ascertainable standard being applied to the distribution of principal to the surviving spouse.

This practitioner has some concerns with this concept. While Internal Revenue Code Section 2041 does refer to the "ascertainable standard relating to health, education, support or maintenance", the concern is that notwithstanding this "standard" the surviving spouse as sole trustee may treat the trust assets as her own. The Internal Revenue Service may view this arrangement as a sham or "window dressing" and subsequently include the trust assets in the surviving spouse's taxable estate. Why expose the estate to this risk? Further, the Doctrine of Merger of Estates states that there can be no trust where a sole Trustee is the sole beneficiary, and this practitioner finds that an ascertainable standard may not save the day. By way of example, the surviving spouse as Trustee may be under the impression that "support and maintenance" includes lavish vacations, support of a gambling habit and large purchases from the local jeweler. Not only might this not be deemed acceptable by the Internal Revenue Service, but the contingent beneficiaries of the trust may have a cause of action. To maintain objectivity and no appearance of impropriety or control over the trust assets, this practitioner suggests designating a surviving spouse as Co-Trustee with no right to distribute principal to himself or herself or, better yet, not naming the surviving spouse as a Trustee at all.

Guardians

A testamentary Guardian is one appointed by the Last Will and Testament of a minor child's father or mother. The Guardian is charged with the duty of taking care of the minor child of the Testator. In many instances the Trustee and the Guardian are the same person. Their functions, however, are quite different. The Guardian should be chosen for the purpose of providing a home life consistent with the home life the children enjoyed while their parents were alive. The Trustee should be chosen for the purposes of managing money. The client must understand this distinction so that he or she can select the Trustee for money management and the Guardian for the proper ethical and moral standards similar to those of the Testator.

Some clients prefer a checks-and-balance system and wish to name different individuals as Trustee and Guardian while others prefer to have the Guardian and Trustee be one in the same person. There is no right or wrong answer, only the client's preference.

At the death of the first spouse, the surviving spouse or parent (in the event they are divorced) is the legal Guardian of the minor children. Only when the Testator and the Testator's spouse die in a common disaster or the spouse has already predeceased the Testator does the Guardian appointed under the Will become applicable. In the case of divorced parents, do not assume that one parent will want to leave guardianship with the other. Even though the law greatly favors the natural rights of parents, there may be

some situations where your client can name a Guardian in lieu of the other parent. As usual, find out what your client wishes and proceed accordingly.

The client may want to compensate the Guardian for his or her services and this may be provided for under the terms of the Will. A number of ways exist by which a Testator may compensate a Guardian. The first is to provide for an annual sum to be paid to the Guardian by the Executor. Alternatively, the Guardian may receive a specific bequest under the Will. Other alternatives may include a provision in the Will directing the Executor to use estate assets to assist the Guardian in building an addition to the home in order to have sufficient space for the Testator's children, or directing the Executor to permit the Guardian to live in the Testator's home during the children's minority with all expenses being paid by a trust.

DISCUSSION OF TAX CONSEQUENCES

Estate and inheritance taxes, historically, created tremendous burdens on surviving spouses and heirs. In 1981, however, Congress passed the Economic Recovery Tax Act which included very significant reforms to the Unlimited Marital Deduction and the Unified Credit. The Unlimited Marital Deduction enables a spouse to pass his or her entire estate to the surviving spouse free of any gift or estate taxes thus eliminating the burden on the surviving spouse of having to liquidate assets (*e.g.*, selling the business from which the surviving spouse receives her sole source of income) in order to pay the estate taxes.

Federal Estate Tax

A. Historical Background

The Economic Growth and Tax Relief Reconciliation Act of 2001 (hereinafter referred to as "EGTRRA") introduced significant changes to the Internal Revenue Code, many of which were scheduled to be phased in during the ten (10) years following the enactment of the Act. In connection with the Federal estate tax, EGTRRA effectively revised the amount each person was permitted to transfer to a non-spouse without the imposition of a Federal estate tax (*i.e.*, the Applicable Exclusion Amount) and decreased the maximum estate tax rate over time.

The schedule of changes in EGTRRA is set forth below:

Year	Applicable Exclusion Amount	Applicable Credit	Lowest Estate Tax Rate	Maximum Estate Tax Rate
2001	675,000	220,550	37%	55%
2002	1,000,000	345,800	41%	50%
2003	1,000,000	345,800	41%	49%
2004	1,500,000	555,800	45%	48%
2005	1,500,000	555,800	45%	47%
2006	2,000,000	780,800	46%	46%
2007	2,000,000	780,800	45%	45%
2008	2,000,000	780,800	45%	45%
2009	3,500,000	1,455,800	45%	45%
2010	Repeal	n/a	n/a	n/a
2011	1,000,000	345,800	41%	55%

However, on December 17, 2010, President Obama signed the Tax Relief Unemployment Insurance Authorization and Job Creation Act of 2010 (hereinafter referred to as "TRA 2010"). Generally, TRA 2010

sets forth various tax provisions that applied for two years and effectively extended and amended EGTRRA. For estate planning purposes, it is significant to know that TRA 2010 set the federal estate, gift and generation-skipping tax exemption at $5,000,000 for 2011 and 2012 with the tax rate on the excess over the $5,000,000 at 35%.

Pursuant to TRA 2010 there were two federal estate tax rules in 2010. For all decedents dying in 2010, their executors could choose which rule would provide the most tax advantageous outcome.

The default rule was that the estate tax applies in 2010, and the exemption from federal estate tax liability was $5,000,000 and the rate of tax on the excess over $5,000,000 was 35%. In addition, on the date of the decedent's death all assets owned by the decedent received a step-up in basis based on the fair market value of the assets on the date of death. From a practical standpoint, this meant that for estates of decedents dying in 2010 with a gross estate of under $5,000,000, there was no requirement to file a Federal Estate Tax Return.

The alternative rule required that the executor make an election. The executor had a choice to effectively elect not to pay any federal estate tax but to subject the estate to the modified basis rules of I.R.C.§ 1022. This meant that the executor was permitted to allocate a basis increase of $1,300,000 for assets passing to any individual other than the spouse and an additional basis increase of $3,000,000 for assets passing to a surviving spouse.

The executor had to consider several factors when deciding to make this election, e.g., what is the amount of the federal estate tax that would be paid by the estate vs. the gain that would be subject to income tax when the estate assets are sold; what will the anticipated income tax rate be when the assets are sold; when do the beneficiaries anticipate selling the estate assets and many other considerations.

The due date for the filing of the Federal Estate Tax Return for decedents dying in 2010 was extended to September 19, 2011. TRA 2010 was enacted on December 17, 2010 and a nine-month extension was granted for decedents dying in 2010 from that date. Due to the fact that September 17, 2011 fell on a Saturday, the due date was extended to the following Monday, September 19, 2011. For 2010 estates that were over $5,000,000 and for their executors who made the carry-over basis election so no estate tax would be due, the date was the same for filing the Federal Estate Tax Return, i.e., September 19, 2011.

Another interesting provision of TRA 2010 was portability. This provided that the executor of a deceased spouse's estate may transfer any unused federal estate tax exemption to the surviving spouse. For example, if the first spouse to die has an estate valued at $1,000,000, he has an unused federal estate tax exemption of $4,000,000, which is now portable to the surviving spouse and, if the surviving spouse has an independent estate of $6,000,000 under this example, the survivor will have a total gross estate of $7,000,000 ($1,000,000 inherited from deceased spouse plus $6,000,000 from her independent estate). However, no federal estate tax would be due at the death of the second spouse as the surviving spouse now has a $9,000,000 exemption from federal estate tax, i.e., surviving spouse's $5,000,000 exemption plus $4,000,000 unused portable exemption received from the estate of the first spouse to die. Portability is not automatic. This means that even if the estate does not owe any tax, the executor must file a Federal Estate Tax return to take advantage of the portability. Issues concerning the use of portability in the context of multiple marriages, divorces and multiple deceased spouses are not covered in this text.

On December 31, 2012, the extension/amendment of EGTRRA was scheduled to sunset and the exemption from federal estate, gift and generation-skipping tax was to revert back to $1,000,000 with the top estate tax rate of 55%.

Federal Estate Tax Exemptions and Rates from 2010 to 2014

Year of Death	Estate Tax Exemption/Applicable Exclusion Amount	Top Estate Tax Rate
2010	$5,000,000 or 0	35% or 0
2011	$5,000,000	35%
2012	$5,120,000	35%
2013	$5,250,000	40%
2014	$5,340,000	40%

B. Current Federal Estate Tax

The American Taxpayer Relief Act of 2012 ("ATRA") was signed on January 2, 2013. In part, it provides that in 2013, each individual has a lifetime exemption from Federal estate, gift and Generation Skipping Tax (GST) in the amount of $5,250,000. This amount is now indexed for inflation from the $5,000,000 exclusion amount in 2011. Congress has indicated that ATRA is now permanent, meaning that this current law has no expiration date. Any amount over the exemption is taxed at a flat 40% rate.

In addition, portability is now permanent and allows the surviving spouse to use the deceased spouse's unused lifetime exemption from Federal estate and gift tax (not GST) in his or her own estate, provided a timely election is made by the surviving spouse. This election is made by filing a timely Federal Estate Tax Return (Form 706).

The citizenship of the Testator's spouse is important with respect to the Applicable Exclusion Amount and the Marital Deduction. There is no Applicable Exclusion Amount or Applicable Credit available to a non-resident alien decedent. Instead, there is an estate tax credit of $13,000 which is effectively the tax on $60,000 of assets. However, a resident alien is entitled to the then-current Applicable Exclusion Amount. In addition, both resident and non-resident aliens are not entitled to take advantage of the unlimited Marital Deduction. There is an immediate tax at the death of the first spouse if the estate exceeds the exclusion, unless the property is transferred to a "Qualified Domestic Trust" (QDOT). The client should be advised of these distinctions so that appropriate steps may be taken to establish citizenship or modify the estate plan, *i.e.*, establish a Qualified Domestic Trust under the Will. This Trust is a more sophisticated estate planning technique beyond the scope of this text which should be investigated fully if the client's spouse is not a United States citizen.

New Jersey Estate Tax

Prior to the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001, the Federal government permitted a dollar-for-dollar credit against the Federal estate tax for death taxes paid to the States, up to a certain limit. At the same time, New Jersey imposed a State estate tax which was equal to the maximum credit allowed against the Federal estate tax for the payment of State death taxes. New Jersey's estate tax was considered a "sponge tax" because it "soaked up" the maximum State death tax credit permitted by the Federal Government.

However, when the Act of 2001 was enacted to compensate for the loss of revenue due to the increase in the Federal Applicable Exclusion Amount, the Act of 2001 reduced the available State death tax credit over the early years after the Act and then eliminated the State death tax credit entirely in 2005. In 2005, the credit **was** replaced by an estate tax deduction for State death taxes paid. More specifically, the credit is calculated but reduced by 25% in 2002, reduced by 50% in 2003 and reduced by 75% in 2004. The

Act of 2001 created the potential for a significant loss of revenue for the states that were taking advantage of the "sponge tax". Therefore, New Jersey, like many other states, has changed their estate tax laws to prevent the loss of revenue.

The New Jersey statute, which was signed into law on July 1, 2002, provides that the estate of every resident decedent dying after December 31, 2001 shall be taxed as if the death occurred under the Federal laws in effect on December 31, 2001. The New Jersey estate tax law was imposed on a retroactive basis. Estates of decedents who died after December 31, 2001 may be liable for the New Jersey estate tax even though the law was not passed until July 1, 2002. This tax is calculated as if the Federal Applicable Exclusion Amount is $675,000 rather than the actual amount in effect at the time of death. The New Jersey estate tax is effectively "decoupled" from the State death tax credit previously available under the Internal Revenue Code.

Currently, a New Jersey estate tax will be due for estates in excess of $675,000 passing to someone other than a surviving spouse, even though the Federal Applicable Exclusion Amount is significantly higher (i.e., $5,000,000 in 2010 through 2012). It is also important to note that portability has not been adopted by New Jersey or any other state for estate tax purposes.

For married couples, the traditional estate planning techniques recommended to save Federal Estate Tax at the death of the surviving spouse could now cause a New Jersey Estate Tax at the death of the first spouse. This may place married couple in a position of choosing between avoiding New Jersey Estate Tax at the death of the first spouse or taking maximum advantage of the Federal Estate Tax savings at the death of the second spouse.

The following is the worksheet for calculating the New Jersey estate tax:

Worksheet for New Jersey Simplified Form - Column A - Line 10(a)

1. Taxable Value from Line 7(a) of Return	1.	
2. Exemption Amount	2.	$60,000.00
3. Line 1 minus Line 2	3.	
4. From table below, determine tax on Line 3 above and enter here and on Line 10(a) of IT-Estate Return	4.	

TAX TABLE				
AMOUNT FROM LINE 3 ABOVE				
AT LEAST	BUT LESS THAN	TAX ON AMOUNT IN FIRST COLUMN	+ %	OF EXCESS OVER
$ 0	$ 615,000	$ 0	0	$ 0
615,000	667,175	0	37.0	615,000
667,175	840,000	19,304	4.8	667,175
840,000	1,040,000	27,600	5.6	840,000
1,040,000	1,540,000	38,800	6.4	1,040,000
1,540,000	2,040,000	70,800	7.2	1,540,000
2,040,000	2,540,000	106,800	8.0	2,040,000
2,540,000	3,040,000	146,800	8.8	2,540,000
3,040,000	3,540,000	190,800	9.6	3,040,000
3,540,000	4,040,000	238,800	10.4	3,540,000
4,040,000	5,040,000	290,800	11.2	4,040,000
5,040,000	6,040,000	402,800	12	5,040,000
6,040,000	7,040,000	522,800	12.8	6,040,000
7,040,000	8,040,000	650,800	13.6	7,040,000
8,040,000	9,040,000	786,800	14.4	8,040,000
9,040,000	10,040,000	930,800	15.2	9,040,000
10,040,000	_____	1,082,800	16.0	10,040,000

The amount of New Jersey estate tax has increased as the Federal estate tax decreases. For example:

Year of Death	**Taxable Estate**	**Federal Estate Tax**	**New Jersey Estate Tax**
2008	2,000,000	0	99,600
2009	3,500,000	0	229,200
2010-2011	5,000,000	0	391,600
2012	5,120,000	0	405,200
2013	5,250,000	0	420,800

It should be noted that any New Jersey inheritance tax or tax paid in any other State will offset the amount of New Jersey estate tax liability.

New Jersey Inheritance Tax

The New Jersey inheritance tax is based on the classification of the estate's beneficiaries (*i.e.*, the relationship between the decedent and the beneficiaries). New Jersey recognizes four beneficiary classes and each class has its own tax rate. Class A beneficiaries, such as spouses, children, grandchildren, parents, grandparents, adopted children, issue of legally adopted children and step children (lineal descendants), are exempt. Class C (after an exemption of $25,000) are taxed at rates between 11% and 16%, inclusive. Class C beneficiaries are brothers or sisters of the decedent, including half brothers and sisters, a wife or widow of a son of the decedent, or a husband or widower of a daughter of the decedent, and Class D beneficiaries are every other transferee not herein classified. In connection with Class D beneficiaries, if the bequest is less than $500 there is no tax. However, if the transfer is $500 or more there is no exemption and the tax rate begins at 15% and increases to 16% if the transfer is over $700,000. Class E beneficiaries, such as educational institutions, churches, hospitals, public libraries and certain other nonprofit organizations are exempt from tax. (See Page 85 for the New Jersey Inheritance Tax rates.)

Due to the Federal estate tax, New Jersey estate tax and New Jersey inheritance tax consequences, the type of Will selected is often based on the size of the estate. Generally, a husband and wife who have a combined estate of less than $675,000 will require Outright Distribution Wills. A husband and wife who have a combined estate greater than $675,000 may require tax-planned Wills or other estate planning techniques to reduce their tax liability.

A word of caution, these are mere generalities and the particularities of a client's situation must be considered. Important factors to be considered are the ages and upward mobility of the clients. For example, consider a couple, 30 years of age, who are recently out of graduate school, one a doctor and one a lawyer. If the estate is valued at $675,000, the general rule of thumb would indicate using the Outright Distribution Will. However, because it is probable that the estate will increase significantly in a short period of time, the attorney should seriously consider a different type of Will, such as the Disclaimer Trust Will. The reverse may also be true in the case of a retired couple on a small fixed income, with an estate of $800,000. If the couple will be using part of the estate's principal for living expenses, chances are that the estate will soon fall below the $675,000 New Jersey estate tax exemption and Outright Distribution Wills may be more appropriate.

After reviewing the client's assets, the registration of said assets, his or her family background information, intentions regarding distribution and the tax consequences of the distribution pattern, the attorney will be able to determine what type of Will best fits the client's needs.

RETAINER LETTER

At the end of the initial meeting with the client, the attorney should be able to inform the client of the fee for preparing an estate plan summary, tax analysis and drafting of the appropriate documents. After this meeting, a retainer letter should be sent to the client indicating what services the attorney will provide, the fee for same and a request that a check for a portion of the fee be sent to the attorney's office with a signed copy of the retainer letter indicating the client's agreement to this arrangement. When the executed retainer letter with the partial payment has been received, the work begins.

While the retainer fee is not mandatory it does provide motivation for the client to complete the process. Sometimes there are many difficult questions to be answered by the client during the estate planning process and subsequently the process is not always complete, with or without a retainer fee. A sample engagement letter with privacy statement follows.

SAMPLE ENGAGEMENT LETTER
ESTATE PLANNING FOR HUSBAND AND WIFE

LAW OFFICES
SHOOBE AND BAKARICH
A PROFESSIONAL CORPORATION
17 ARCADIAN AVENUE, SUITE 102
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PETER J. BAKARICH, JR. (NJ NY)

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OF COUNSEL:

MERRILL M. O'BRIEN (NJ NY)
(CERTIFIED CIVIL TRIAL ATTORNEY)

September 30, 2013

Mr. and Mrs. John Smith
123 Main Street
Boonton, NJ 07005

Dear John and Jane:

I enjoyed meeting with both of you on September 1. The purpose of this letter is to set forth the work that you will be engaging me to perform for you and the fee arrangement for my services.

I will be preparing for each of you a new Will, Durable Power of Attorney and Living Will with Designation of Health Care Representative, as well as various beneficiary designation forms to accord with your new estate plan. My fee for this work will be $_____. This fee will include all correspondence, conversations and additional meetings to explain and execute the documents. As agreed, I enclose a retainer bill for $_____.

It is common for a husband and wife to employ the same lawyer to assist them in their estate planning. You have taken this approach by asking me to represent both of you in your planning. It is important that you understand that because I will be representing both of you, you are considered my client, collectively. Accordingly, matters that one of you might discuss with me may be disclosed to the other of you. Ethical considerations prohibit me from agreeing with either of you to withhold information from the other. In this representation, I will not give legal advice to either of you or make any changes in any of your estate planning documents without your mutual knowledge and consent. Of course, anything either of you discusses with me is privileged from disclosure to third parties.

If a conflict of interest arises between you during the course of your planning, or if the two of you have a difference of opinion concerning the proposed plan for disposition of your property or on any other subject, I can point out the pros and cons of your respective positions or differing opinions. However, ethical considerations prohibit me, as the lawyer for both of you, from advocating one of your positions over the other. Furthermore, I would not be able to advocate one of your positions versus the other if there is a dispute at any time as to your respective property rights or interests or as to other legal issues between you. If actual conflicts of interest do arise between you of such a nature that in my judgment it is impossible for me to perform my ethical obligations to both of you, it would become necessary for me to cease acting as your joint attorney.

In the ordinary course of business, we often communicate with clients and other parties by means of electronic mail via the Internet and similar methods. This practice may allow us to provide services more quickly and efficiently. While we believe that such communications are not likely to be intercepted by third parties, we cannot guarantee that e-mailed messages and attachments that we receive or send will be

completely confidential. If you would prefer that we do not use e-mail for our communications in general or for any specific communications, please let us know by checking the appropriate line below. Otherwise, we will expect to communicate with you and other parties by e-mail from time to time, as appropriate, and will assume that you have consented to such communications. Also, while we believe our e-mail communications are free from viruses, it is the responsibility of the recipient to take appropriate steps to protect against e-mail viruses.

For John:

E-Mail: (please select the appropriate option(s) and initial)
E-mail is acceptable for all communications concerning my representation. *_____
Do *not* use e-mail for any communications concerning my representation. *_____
E-mail is acceptable for all communications concerning my representation
except _____. *_____
E-mail address: _____.

With respect to telephone and written communications, I wish to be contacted in the following manner (check all that apply):

_____ Home telephone _____
_____ OK to leave message with detailed information
_____ Leave message with call-back number only

_____ Work telephone _____
_____ OK to leave message with detailed information
_____ Leave message with call-back number only

_____ Written Communication
_____ OK to mail to my home address
_____ OK to mail to my work/office address
Please provide: _____
_____ OK to fax to this number _____

_____ Other _____

For Jane:

E-Mail: (please select the appropriate option(s) and initial)
E-mail is acceptable for all communications concerning my representation. *_____
Do *not* use e-mail for any communications concerning my representation. *_____
E-mail is acceptable for all communications concerning my representation
except _____. *_____
E-mail address: _____.

With respect to telephone and written communications, I wish to be contacted in the following manner (check all that apply):

_____ Home telephone _____
_____ OK to leave message with detailed information
_____ Leave message with call-back number only

_____ Work telephone _____
_____ OK to leave message with detailed information
_____ Leave message with call-back number only

_____ Written Communication
_____ OK to mail to my home address
_____ OK to mail to my work/office address
Please provide: _____
_____ OK to fax to this number _____

_____ Other _____

If the foregoing agrees with your understanding of our arrangement, I would appreciate your signing and dating the enclosed copy of this letter, and your returning that copy to me, together with your check in payment of the retainer, at your convenience.

Upon receipt of the signed engagement letter and check, I will prepare a letter summarizing the decisions reached at our meeting.

Please feel free to call if you have any questions. In addition, you should feel free to consult with another attorney about the effect of signing this letter.

Best regards.

Sincerely,

Peter J. Bakarich, Jr.

We would like you to perform the legal services outlined above and agree to the foregoing fee arrangement for those services.

Dated:_____ _____
JOHN SMITH

Dated:_____ _____
JANE SMITH

PJB/alh
Enclosures

To ensure compliance with requirements imposed by the IRS, we inform you that any tax advice contained in this communication (including any attachments or enclosures) was not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

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P.O. BOX 7144
PRINCETON, NEW JERSEY 08543

ROBERT J. PINTO (1972-1999)
LISA M. BUTLER

AREA CODE 609
TELEPHONE 924-2000
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NOTICE OF PRIVACY POLICY[1]

In the course of advising our clients, our law firm necessarily collects and retains non-public personal and financial information to enable us to address their particular needs in a professional and thorough manner. As the legal issues facing each client are unique, the type and quantity of information gathered varies greatly. For example, our estate planning clients may disclose to us personal family history, medical conditions, individual net worth statements, and past tax returns for both themselves and any closely-held businesses they own.

We will not disclose the personal and financial information you share with us to anyone outside of our firm unless you ask us to do so. Not only do ethical rules applicable to the practice of law in New Jersey prohibit such disclosure, but we realize that to do so would be a breach of the trust each of you has placed in me as your attorney.

To help ensure that any information you provide us will not be disclosed to an outside party inadvertently, it is our standard office practice to keep such information in a separate file pertaining to your representation only and to contact you personally prior to releasing any information to a person outside of our firm.

If you have any questions about the confidentiality and security of your personal and financial information, please feel free to contact me.

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[1] Required by the Federal Trade Commission under the Gramm-Leach-Bliley Financial Modernization Act, P.L. 106-102 (Nov. 12, 1999).

CHAPTER II

ESTATE PLAN SUMMARY

GENERAL CONSIDERATIONS

The attorney should give the client an explanation of the advantages of planning an estate. Although many attorneys include this explanation in the letter accompanying the drafts of the documents sent to the client for approval, prudent practice dictates sending an outline of the proposed Will (*i.e.*, Estate Plan Summary) to the client prior to drafting the Will. The outline should be written in clear, concise language that will be easily understood by the client.

After receiving the client's approval with respect to the contents of the outline, the next step is to prepare a draft of the Will, which also should be sent to the client for approval. If the Will is complex, the attorney may need to meet with the client to discuss the provisions of the draft and to explain the more technical areas of the Will itself.

The last step is to schedule an appointment for the execution of the Will. Many studies conducted by Bar Associations throughout the United States indicate that procrastination looms as the single biggest client complaint. The Will, like any piece of legal business or legal advice which an attorney dispenses, should be handled in a professional and expedient manner. Deadlines should be set by the attorney, and followed, to insure that a Will does not languish in the attorney's office for an undue period of time.

The Estate Plan Summary is an effective tool to keep both the attorney and the client on track. It clearly explains to the client all the documents that the attorney will be preparing for the client. It is a "road map" for both the attorney and the client to follow as the process of document preparation begins. The Estate Plan Summary is an outline to which the client can refer to even after the client has executed his or her Will and other estate planning documents to quickly review his or her estate plan. The Estate Plan Summary avoids having to read through the lengthy legal documents themselves.

To follow are basic Estate Plan Summaries, charts and explanations for Outright Distribution Wills, Reciprocal Disclaimer Trust Wills and Marital Deduction Wills.

OUTRIGHT DISTRIBUTION WILL

As a general rule, an Outright Distribution Will is best used for estates of less than or equal to $675,000 or the then-current New Jersey estate tax exemption. An attorney, however, should be aware that certain particularities, such as a young couple with obvious potential for upward mobility, may not warrant using an Outright Distribution Will despite the fact that their combined estates are under the then-current exemption.

For example: a couple has an estate of $600,000, $400,000 of which is in the husband's name and $200,000 of which is in the wife's name. At the time of the husband's death, estate settlement costs of 8% are incurred by his estate thereby creating an adjusted gross estate of $368,000. The national average of estate settlement costs is 8% and such costs cover five basic areas: (1) executor's fees, which are set by law, (2) attorney's fees, (3) an average amount of debts and expenses due and owing at the time of death, (4) an average amount of expenses incurred as a result of the last illness, and (5) legal fees to defend against any dissident individual who makes a claim against the estate. Any New Jersey inheritance tax, New Jersey estate and Federal estate tax is then deducted from the adjusted gross estate. Assuming the husband's entire estate passes to the surviving wife, the state inheritance tax is zero because the wife is a Class A beneficiary. Similarly, as a result of the 100% Marital Deduction, the Federal and New Jersey estate taxes are also zero. Thus, the net estate that passes to the wife is $368,000.

Upon the wife's subsequent death, the 8% estate settlement costs are subtracted from the wife's gross estate, which includes her independent estate of $200,000 and the amount received from her

husband's estate ($368,000). The wife's adjusted gross estate is $522,560 from which the state and Federal taxes must be subtracted. Assuming the children are the beneficiaries of the estate, no state inheritance tax is due because the children are also Class A beneficiaries. Furthermore, because the estate is less than the current Federal exemption and less than the New Jersey estate tax exemption of $675,000, it is exempt from both the Federal and New Jersey estate tax. Thus, $522,560 is available to the children upon the death of the surviving spouse.

As described, the estate passed tax free upon the death of each parent and the only diminution in value was due to estate settlement costs. However, had the estate been greater than the then-current Federal or New Jersey estate tax exemption, some estate tax would have been levied at the death of the surviving spouse.

Another situation in which Outright Distribution Wills might be considered, even though the client's assets exceed the exemption amount, is a situation where the client may have significant amounts of insurance. For example, if a couples gross estate totals $1,500,000 but $1,000,000 of this total is attributable to life insurance on the husband's life, I would suggest Outright Distributions Wills together with an Irrevocable Insurance Trust funded by the $1,000,000 policy on the husband's life. The Irrevocable Life Insurance Trust is discussed later in this textbook but, in general, the assets in the Irrevocable Life Insurance Trust will pass New Jersey estate tax, Federal estate tax and New Jersey inheritance tax free to the ultimate beneficiaries of the Trust. In this case, the $1,000,000 life insurance policy is not part of the decedent's taxable estate when he dies, and, therefore, the couple's remaining $500,000 estate will also pass tax free to their children with the use of the Outright Distributions Wills.

OUTRIGHT DISTRIBUTION WILL

Total Estate = $600,000
Wife's estate = $200,000
Husband's estate = $400,000

$400,000	GROSS ESTATE (H, at time of death)
$32,000	ESTATE SETTLEMENT COSTS (8%)
$368,000	ADJUSTED GROSS ESTATE
-0-	NEW JERSEY INHERITANCE TAX
-0-	NEW JERSEY ESTATE TAX (100% Marital Deduction)
-0-	FEDERAL ESTATE TAX (100% Marital Deduction)
$368,000	NET ESTATE TO WIFE
$200,000	WIFE'S ESTATE
$568,000	WIFE'S GROSS ESTATE (at W's death)
$45,440	ESTATE SETTLEMENT COSTS (8%)
$522,560	ADJUSTED GROSS ESTATE
-0-	NEW JERSEY INHERITANCE TAX
-0-	NEW JERSEY ESTATE TAX
-0-	FEDERAL ESTATE TAX
$522,560	AVAILABLE TO CHILDREN

DISCLAIMER TRUST WILL

Larger estates often dictate more complex Wills, i.e., tax-planned Wills. In the light of the recent changes in the New Jersey estate tax law and the rising Federal Estate Tax Applicable Exclusion Amount, flexibility in drafting tax-planned Wills is key. Prior to the recent change in both the New Jersey estate tax and Federal estate tax laws, it was not uncommon to have what was known as "formula Wills." These Wills were rigidly drawn, in that the Will would provide that whatever the Federal estate tax exemption was at the time of death would be placed in trust for the benefit of the surviving spouse with the remainder of the estate passing outright or in trust to the surviving spouse tax free due to the 100% marital deduction. Due to the recent change in the New Jersey estate tax law, this type of formula Will will cause a New Jersey estate tax liability at the death of the first spouse. For example, if a husband has an estate valued at $5,500,000 in 2013 and has a formula Will, at his death, $250,000 would pass to the surviving spouse tax free in accordance with the 100% marital deduction. However, the $5,250,000 which is required to be placed in trust (as this is the amount exempt from Federal estate tax in 2013), will cause a New Jersey estate tax as it exceeds the $675,000 exemption from New Jersey estate tax. The New Jersey estate tax on this amount is $420,800. This is not always the desired result for several reasons.

First, the surviving spouse may be unwilling or unable to pay the New Jersey Estate Tax liability. If the estate of the first spouse to die is largely illiquid and does not consist of readily saleable assets this could create difficulty in paying the tax which is due 9 months after the date of death.

Second, the married couple's combined estates may not be subject to Federal Estate Tax liability at the death of the second spouse for a number reasons: (a) the surviving spouse could spend down the estate or gift during his/her lifetime bringing the value of the estate below the Applicable Exclusion Amount; (b) the Applicable Exclusion Amount could increase to a level where the surviving spouse's estate is no longer taxable; or (c) the surviving spouse could take advantage of the current portability provisions.

Therefore, when drafting tax-planned Wills for clients or reviewing their existing Wills, the practitioner will want to consider flexibility in all aspects of drafting.

For example: a couple has a combined estate of $5,500,000 in 2013. The estate is owned equally by each spouse. An estate of this size would not benefit from Outright Distribution Wills but, rather, by tax-planned Disclaimer Trust Wills. As an aside, if the estate is not divided equally between the spouses, a prudent attorney would recommend that, to the extent it is possible, the client register the assets in such a way as to take full advantage of the exemptions of both the husband and the wife (*i.e.*, 50% of the assets in each spouse's individual name or registration of all joint assets as tenants-in-common). To follow is an analysis of the tax consequences of utilizing an Outright Distribution Will versus a Disclaimer Trust Will, highlighting the more desirable results of the latter type of Will.

Outright Distribution Approach

Using the above example, the husband's gross estate at his death is $2,750,000. First, the estate settlement costs of 8% must be deducted, leaving an adjusted gross estate of $2,530,000. Assuming the estate passes to the wife, the New Jersey inheritance tax is zero because the spouse is a Class A beneficiary and due to the 100% Marital Deduction there is no Federal or New Jersey estate tax.

Thus, the net estate which passes to the wife is $2,530,000. Since the wife has her own estate of $2,750,000, her gross estate, upon her death is $5,280,000. Once again, at the wife's death, the estate settlement costs are 8% of her gross estate which is $422,400, leaving an adjusted gross estate of $4,857,600. From the adjusted gross estate the state inheritance tax is subtracted. Assuming the children (Class A beneficiaries) are the beneficiaries, the state inheritance tax is zero. The New Jersey estate tax is

also subtracted from the adjusted gross estate and is $375,651. Due to the fact that the size of the estate at the death of the surviving spouse is less than the $5,250,000 Applicable Exclusion Amount in 2013, there will be no Federal estate tax. Note that the New Jersey estate tax liability is reflected as a deduction against the gross estate and is no longer a credit against the Federal estate tax liability. Thus, the estate which passes to the children under an Outright Distribution Will is $4,481,949. A greater tax savings is achieved through the use of a Disclaimer Trust Will, as described on the pages that follow.

OUTRIGHT DISTRIBUTION WILL IN 2013
(As Compared to Disclaimer Trust Will)
Chart One
Total Estate = $5,500,000
Wife's estate = $2,750,000
Husband's estate = $2,750,000

$2,750,000	GROSS ESTATE (H, at time of death)
$220,000	ESTATE SETTLEMENT COSTS (8%)
$2,530,000	ADJUSTED GROSS ESTATE
-0-	NEW JERSEY INHERITANCE TAX
-0-	NEW JERSEY ESTATE TAX (100% Marital Deduction)
-0-	FEDERAL ESTATE TAX (100% Marital Deduction)
$2,530,000	NET ESTATE TO WIFE
$2,750,000	WIFE'S ESTATE
$5,280,000	WIFE'S GROSS ESTATE (at W's death)
$422,400	ESTATE SETTLEMENT COSTS (8%)
$4,857,600	ADJUSTED GROSS ESTATE
-0-	NEW JERSEY INHERITANCE TAX
$375,651	NEW JERSEY ESTATE TAX
-0-	FEDERAL ESTATE TAX
$4,481,949	AVAILABLE TO CHILDREN

Disclaimer Trust Will Approach

Continuing with the example of a $5,500,000 estate divided equally between husband and wife, at the time of the husband's death, he has a gross estate of $2,750,000. The estate settlement costs of 8% are subtracted from his gross estate, leaving an adjusted gross estate of $2,530,000.

The provisions of the Disclaimer Trust Will provide that the Testator's entire estate is distributed to the surviving spouse. The wife, however, has the power to disclaim, or not accept, any or all of the assets in the estate, with any disclaimed assets going into a Disclaimer Trust, as described in the Will. The wife receives the income from this trust, as well as any principal she may need for emergency expenses. In this example, $675,000 is disclaimed by the wife (i.e. an amount that is exempt from both New Jersey and Federal estate tax), and thus is distributed into the Disclaimer Trust. The wife, of course, has her own estate of $2,750,000, which is one reason why she may feel financially comfortable to disclaim this amount.

Under this type of Will, the surviving spouse has the option of disclaiming all or a portion of the estate or taking the entire estate. Upon the wife's subsequent death, any assets in the trust would not be taxed federally or by the State of New Jersey. Rather, they would pass tax free to the children upon the wife's death. A surviving spouse may wish to disclaim up to the then current exemption from New Jersey estate tax to take advantage of the tax savings. While there is no limit on the amount of assets which can be disclaimed, only the New Jersey estate tax exemption amount at the time of death of the first spouse will pass completely tax free at the death of the first spouse.

At the time of the wife's subsequent death, her gross estate includes her independent estate of $2,750,000 together with what she received from her deceased spouse's estate, $1,855,000, which gives her a total gross estate of $4,605,000. This amount is reduced by the estate settlement costs, leaving an adjusted gross estate of $4,236,600. State inheritance taxes are zero because children are lineal heirs, or Class A beneficiaries. Federal estate taxes are also zero because of the $5,250,000 Applicable Exclusion Amount for 2013, and the New Jersey estate tax is $306,099 as the taxable estate is more than the $675,000 exemption. Thus, upon the surviving spouse's subsequent death, the Disclaimer Trust's assets equaling $675,000 pass to the children free of all taxes and the wife's estate of $3,930,501 passes to the children, for a total of $4,605,501. Comparing this result to the result achieved under an Outright Distribution Will, the Reciprocal Disclaimer Trust Will results in a tax savings of $123,552.

A Disclaimer requires the filing of a written document within nine (9) months of the date of death with the Surrogate, the taxing authority and the County Clerk, if real estate is being disclaimed.

The advantages and disadvantages of a flexible Disclaimer Trust Will are as follows: The benefits of the Disclaimer Trust Will include the fact that the surviving spouse has nine (9) months from the date of death to decide what, if anything, he or she wants to disclaim from the deceased spouse's estate. And, most importantly, the decision to a establish this tax-saving Disclaimer Trust is not made at the time the Will is signed, but at the death of the first spouse when the decision can be made based upon the relevant factors at the time. Some of the factors that should be considered when making these post-mortem decisions include: (1) what is the tax law at the time of the death of the first spouse; (2) has the Federal Applicable Exclusion exceeded the value of the couples combined estates; (3) has the couple's estate increased or decreased in value since the tax-planned Wills were drafted; (4) what are the surviving spouse's personal circumstances at the time of the first spouse's death; (5) are there significant medical expenses, college tuitions, other debts due and owing which will significantly reduce the size of the estate; (6) does the estate have the potential to increase in value or will the survivor be using the principal to live on; (7) what are the surviving spouse's financial circumstances and future plans; and (8) does the surviving spouse plan on remaining a New Jersey resident. All these considerations and more should be reviewed with the client when deciding whether or not to disclaim the assets.

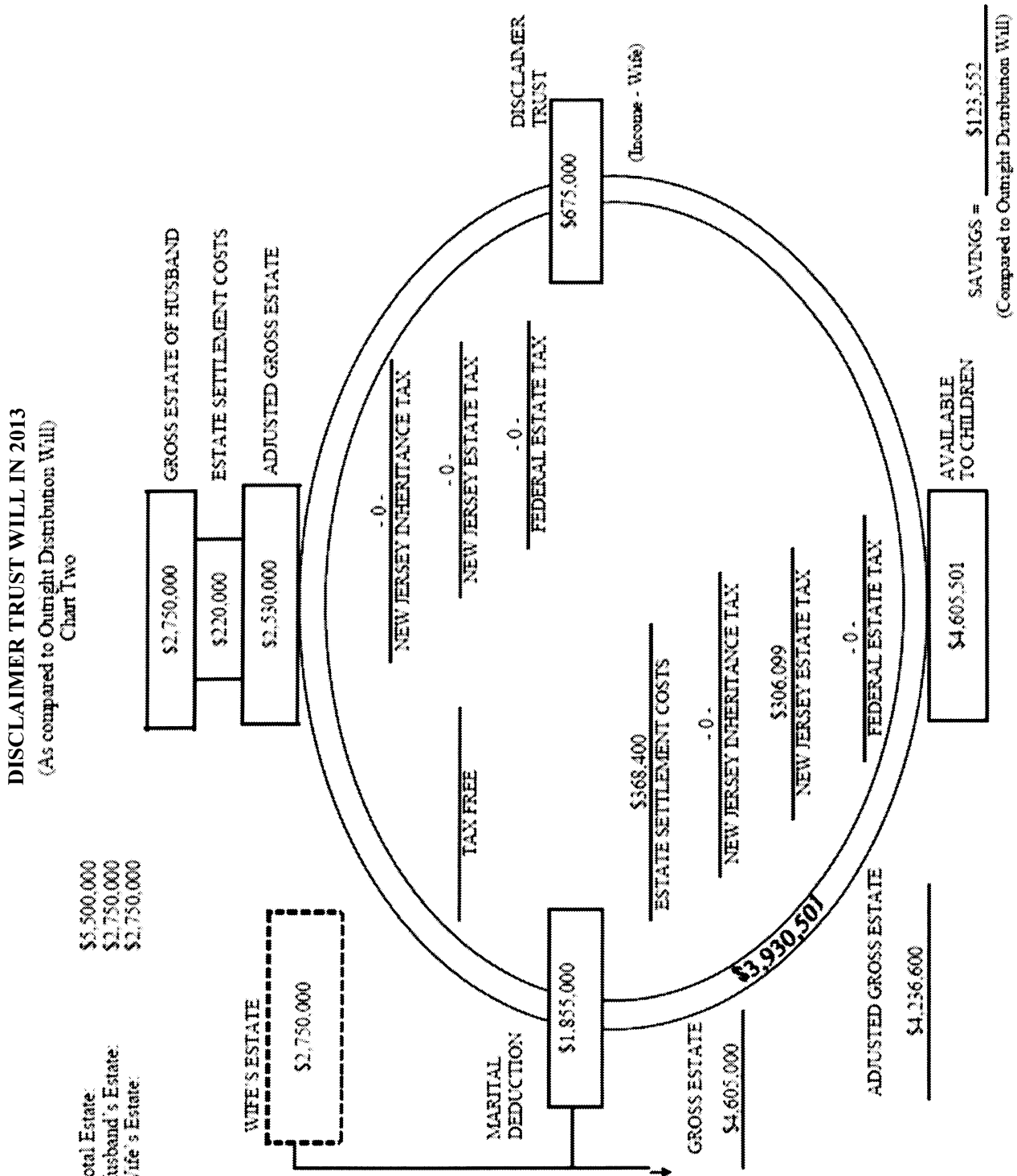
While flexibility can be a good option, the client should be made aware that the decision to disclaim must be made within nine (9) months of the date of death of the first spouse for Federal Estate tax purposes and no control can be exercised over the assets the surviving spouse intends to disclaim in order for the disclaimer to be valid. For example, the surviving spouse could not collect insurance proceeds and deposit them in his or her personal account or transfer ownership of an account in the deceased spouse's individual name into his or hers and then later elect to disclaim these assets. At that point, it would be too late as he or she has already exercised control over these assets. During the estate planning process it is important to inform the client that within three (3) to four (4) weeks of the death of the first spouse, the survivor should meet with an attorney to review their options prior to taking control of any of the decedent's assets. And therein lies the potential downside of the Disclaimer Trust Will in some cases.

Due to the fact that the establishment of the Disclaimer Trust under the Will of the first spouse to die requires a proactive decision on the part of the surviving spouse and the establishment of the Trust is not automatic, inherently problems can arise. For example, at the death of the first spouse, the surviving spouse may not be emotionally capable of making the decision to disclaim or not to disclaim. And, in some cases, the decision may be made too late (*i.e.*, after the nine [9] month time limit), and, therefore, the Disclaimer Trust cannot be established. Or, in some circumstances, the surviving spouse does not seek the timely advice of counsel and collects all of the decedent's assets before being advised of his or her option to disclaim.

In addition, the decision to fund or not to fund the Disclaimer Trust and how much to disclaim is not an easy one given today's law. Due to the current New Jersey estate tax exemption of $675,000, the surviving spouse may have to decide whether to fully fund the Disclaimer Trust with the then-current Federal Applicable Exclusion Amount to maximize the potential Federal estate tax savings and pay a New Jersey estate tax, or to under fund or not fund the Disclaimer Trust to avoid paying the New Jersey estate tax liability and possibly rely on portability. As discussed earlier in the text, if the Disclaimer Trust is funded with the full Federal Applicable Exclusion Amount in 2013 (i.e., $5,250,000), there will be the imposition of $420,800 New Jersey estate tax.

Generally, there are several reasons why funding the Disclaimer Trust continues to be a good idea despite the current portability provisions, some of which include the following: (a) The portability provisions will expire on December 31, 2012 and there is no guarantee these provisions will be extended; (b) The unused Federal estate tax exemption from a predeceased spouse will not be available/portable if the surviving spouse remarries and survives his or her next spouse; and (c) The appreciation that occurs on the inherited (portable) assets is not excluded from the surviving spouse's estate but the appreciation on the assets in the Disclaimer Trust are excluded and pass New Jersey and Federal estate tax free to the ultimate beneficiaries of the Trust. The Disclaimer Trust also reduces the ultimate New Jersey estate tax liability and continues to be an effective tax planning technique for New Jersey estate tax purposes.

In situations where the client is concerned that the surviving spouse may not be able to make the appropriate decision, there are Wills that can be drafted which allow a certain amount of flexibility and can also insure some tax savings. These Wills are referred herein generally as Marital Deductions Will and are discussed later in the text.


DISCLAIMER TRUST WILL IN 2013
(As compared to Outright Distribution Will)
Chart Two
Total Estate: $5,500,000
Husband's Estate: $2,750,000
Wife's Estate: $2,750,000
GROSS ESTATE OF HUSBAND
$2,750,000
ESTATE SETTLEMENT COSTS
$220,000
ADJUSTED GROSS ESTATE
$2,530,000
WIFE'S ESTATE
$2,750,000
MARITAL DEDUCTION
$1,855,000
GROSS ESTATE
$4,605,000
TAX FREE
$368,400
ESTATE SETTLEMENT COSTS
$306,099
NEW JERSEY ESTATE TAX
-0-
NEW JERSEY INHERITANCE TAX
-0-
NEW JERSEY ESTATE TAX
-0-
FEDERAL ESTATE TAX
-0-
NEW JERSEY INHERITANCE TAX
-0-
FEDERAL ESTATE TAX
$3,930,501
ADJUSTED GROSS ESTATE
$4,236,600
DISCLAIMER TRUST
$675,000
(Income - Wife)
AVAILABLE TO CHILDREN
$4,605,501
SAVINGS = $123,552
(Compared to Outright Distribution Will)

The following is a sample letter and estate plan summary which would be sent to the client explaining the Disclaimer Trust Wills and other standard estate planning documents (*i.e.*, Power of Attorney , Healthcare Proxy Directive and Living Will):

Sample Letter and Estate Plan Summary for Disclaimer Trust Wills

Mr. and Mrs. R. Ryan
1 Rudy Avenue
Belle Mead, New Jersey

June 30, 2013

Re: RYAN ESTATE PLAN

Dear Mr. and Mrs. Ryan

As we discussed, I am enclosing an Estate Plan Summary together with the tax computations covering estimated Federal estate taxes under various plans of distribution.

After you have had an opportunity to review the enclosures, may I suggest that you come to my office on Monday, July 15, 2013, at 9:00 a.m., to discuss any questions you may have.

Please call to confirm this appointment.

Very truly yours,

Lisa M. Butler

ESTATE PLAN SUMMARY
UTILIZING RECIPROCAL DISCLAIMER TRUST WILLS

May 2013
Ryan Estate Plan

The following estate program is based on financial information furnished to me at our conference. Your stated objectives and the object of saving as much as possible in Federal estate tax have been incorporated into this program. The approximate value of Mr. Ryan's estate is $2,750,000 and that of Mrs. Ryan is $2,750,000 from a tax standpoint

This estate plan summary sets forth various issues that should be considered in order to fulfill your estate plan objectives. This summary is divided into subsections for your convenience.

1) Charts/Explanations -- demonstrates the advantage of Reciprocal Disclaimer Trust

2) Disclaimer Trust Will -- explains the provisions of the Will

3) Distribution at Death of Survivor -- explains the distribution pattern that will occur upon the death of both you and your wife.

4) Spouse's Will -- explains the benefit of both you and your *wife* having reciprocal or identical Wills.

5) Jointly-Owned Property - proper registration of assets is essential to an effective estate plan.

6) Living Wills -- explains the option of executing a Living Will.

7) Power of Attorney -- details the importance of executing Powers of Attorney.

8) Letter of Instruction -- recommends that you draw up a Letter of Instruction.

9) Fiduciaries -- requests a list of your chosen fiduciaries.

10) Summary -- briefly summarizes what our office will be doing for you and what you need to do to complete your estate plan.

Charts and Explanations

For purpose of illustration, several computations have been made as follows:

CHART 1: Outright Distribution Approach

Chart 1 demonstrates the tax consequences of an unplanned Outright Distribution Will by both you and Mrs. Ryan. This program assumes that the $5,500,000 estate is equally divided between the two of you ($2,750,000 properly registered in your name and $2,750,000 in Mrs. Ryan's name). Under this program, the total estate available to your ultimate beneficiaries (i.e., your children) at the death of the survivor of you would be $4,481,949

CHART 2: Disclaimer Trust Will

Chart 2 demonstrates the tax consequences of Reciprocal Disclaimer Trust Wills, assuming that the assets are equally divided between the spouses and that you predecease Mrs. Ryan. Under these circumstances the tax savings to the ultimate beneficiaries is substantial because, at the death of the survivor, your beneficiaries would receive a total of $4,605,501. This amount represents a savings of $123,552 over what the children would receive by using the Outright Distribution approach described above.

Disclaimer Trust Will

Chart 2 demonstrates the tax savings attained through the preparation of a Disclaimer Trust Will. Under this plan your Will would first provide for the disposition of tangible personal property. The personal property would be distributed to your spouse, if she survives you. In the event that she does not survive you, your personal property could be distributed in accordance with a memorandum found with your Will and, if no memo is found, then the personal property would be distributed to your children equally. The memo is very beneficial as it may be modified or destroyed at any time without having to draft a new Will. The memorandum should be written in your own hand and kept with your Last Will and Testament. It is incorporated into your Will by reference.

Thereafter, the remaining estate is distributed to your wife. However, she would have the power to disclaim, or not accept, all of the assets or a portion of the assets she received from your estate. With respect to any assets your wife disclaims, these assets would go into a trust described under your Will (the Disclaimer Trust). Your wife would receive the income from this trust, plus as much of the principal as was necessary for health, maintenance and support. Upon your wife's subsequent death, any assets remaining in this trust would not be taxable federally in her estate or by the State of New Jersey, Chart 2 assumes that your wife disclaimed an amount equal to the New Jersey Estate tax exemption ($675,000). Note, the decision of how much to disclaim and whether or not to disclaim assets at all must be made within nine (9) months of the date of death.

It is important to note that Mrs. Ryan has the option of disclaiming assets into this trust and therefore the trust may or may not be funded. The assets in the trust, if any, will pass Federal and New Jersey estate tax free to your children.

Distribution at the Death of the Survivor

Distribution to your children will occur at the death of the survivor of you. The payment could be distributed outright or in stages, *e.g.*, one-third at age 21, one-half of the balance at age 25, and the balance at age 30, or any other specific ages you may choose. In addition, you may want to consider giving the Trustee of the Children's Trust a power of appointment, which means that the Trustee could change the

amount of distribution and the age of distribution. Absent the Trustee exercising such a power, the trust would be distributed as indicated in your Will

Spouse's Will

With respect to Mrs. Ryan's estate, her Will would be a mirror image of your Will. She would leave her entire estate outright to you with a provision for you to disclaim all or a portion of her estate and place those assets in a Disclaimer Trust. You would receive the income from the trust and principal at the trustee's discretion for your health, maintenance and support and, at your subsequent death, the principal of the trust would escape taxation in your estate and be distributed to your children as outlined above.

Jointly-Owned Property

In order for the Disclaimer Trusts to operate more effectively, it is recommended to change all assets which are registered as joint tenants with the right of survivorship (JTWROS) to tenants-in-common. This would apply to your real estate as well as all bank and brokerage accounts. There would be no adverse tax consequences to these re-registrations. The reason for this suggestion is that under the present joint ownership, at the first spouse's death, the funds go directly to the surviving spouse completely outside the control of the Will and would cause greater tax at the surviving spouse's subsequent death.

Living Will

New Jersey has made an important decision affecting the quality of life for its citizens by enacting legislation that gives adults control over their medical treatment through Living Wills. The New Jersey Advance Directive for Health Care Act provides individuals with a choice allowing them to specify whether they wish to have or refuse certain medical treatments and life-sustaining measures. It also gives competent adults (18 and older) the right to appoint a trusted friend or relative to make medical decisions for them, if they lose the ability to decide for themselves. Such an individual is known as a Healthcare Representative. In addition, you may change or revoke your Living Will at any time.

The legislation sets out the rights and duties of patients, families and caregivers, freeing them from some of the legal, emotional and financial uncertainties of dealing with terminal illness, mental incompetence and medical conditions resulting in permanent unconsciousness. New Jersey is the 48th state to give legal recognition to Living Wills.

Please let me know at our next meeting if you are interested in having Living Wills prepared.

Power of Attorneys

A. **Financial**

As an emergency measure, I would also suggest preparation of general powers of attorney. These documents enable you to appoint someone to act on your behalf if you are away on a trip or become disabled. The person appointed, your attorney-in-fact, can be authorized to act at any time or restricted to such time as you become disabled. These documents can avoid the necessity of possible guardianship proceedings or simply save time in the event you are unable to act.

B. Medical

Medical Powers of Attorney (also known as Health Care Proxy Directives) permit you to designate someone to act on your behalf when making everyday decisions regarding medical treatment. This is equally important as both the Living Will and the Financial Power of Attorney.

Letter of Instruction

In addition to your Will, another helpful but less formal document which can be drafted by you, or may be drafted by us on your behalf, is a Letter of Instruction. The Letter of Instruction can provide the Executor of your estate and the beneficiaries with some additional and more personal information regarding your estate. One of the most important -- and easily overlooked -- estate planning steps is to document the location of important personal and financial records and to identify your advisors. By organizing this information, you will simplify the duties of your family or personal representative at a time when he or she may be under severe emotional and physical stress. Keep a copy in a safe location at your home or office. Let a family member or advisor know where this letter is located. Update the letter at least yearly. Here is what should be documented.

1. All bank accounts, their locations, numbers and maturity dates.
2. Location of safe deposit boxes and keys, home safes, private vaults, and combinations that may be needed.
3. Location of your Will (and any codicils) and any trust agreements.
4. Location of your spouse's Will (and codicils and any trust agreements).
5. Location of all your insurance policies -- type and policy numbers.
6. Location of stock certificates and bonds.
7. Location of pension, IRA, and Keogh documents.
8. Location of real estate records (including deeds, mortgages, title insurance, closing statements and leases).
9. Location of automobile titles.
10. Amount due on loans and names of lenders.
11. Location of your income tax returns.
12. Your accountant's name, address and phone number.
13. Your attorney's name, address and phone number.
14. Your insurance agent's name, address and phone number.
15. Burial instructions.

I enclose a sample Letter of Instructions.

Fiduciaries

Please provide the names of the individuals/institutions you wish to use in the following capacities:

Mr. Ryan's Will

Executor_____

Contingent Executor_____

Disclaimer Trust

Trustee_____

Contingent Trustee_____

Children's Trust

Trustee_____

Contingent Trustee_____

Guardian_____

Contingent Guardian_____

Mrs. Ryan's Will

Executor_____

Contingent Executor_____

Disclaimer Trust

Trustee_____

Contingent Trustee_____

Children's Trust

Trustee_____

Contingent Trustee_____

Guardian_____

Contingent Guardian_____

Mr. Ryan's Power of Attorney

Attorney-in-Fact_____

Contingent Attorney-in-Fact_____

Mrs. Ryan's Power of Attorney

Attorney-in-Fact_____

Contingent Attorney-in-Fact_____

Mr. Ryan's Living Will/Healthcare Proxy Directive

Healthcare Representative _____

Contingent Healthcare Representative _____

Mrs. Ryan's Living Will/Healthcare Proxy Directive

Healthcare Representative _____

Contingent Healthcare Representative _____

Summary

In summary, the following steps will be taken by our office to complete your estate:

1. Prepare Reciprocal Disclaimer Trust Wills for both Mr. and Mrs. Ryan.
2. Prepare Powers of Attorney for both Mr. and Mrs. Ryan.
3. Prepare Living Wills for Mr. and Mrs. Ryan
4. Prepare Healthcare Proxy Directives for Mr. and Mrs. Ryan
5. Change deed to your present residence from Tenants-by-the-Entirety (or Joint Tenancy with Right of Survivorship) to Tenants-in-Common.

The following steps should be taken by you and your wife to complete your estate:

1. Re-register bank and brokerage accounts to Tenants-in-Common.
2. Provide my office with the deed to your residence so that I can re-register the deed to Tenants-in-Common.
3. Provide me with the proper names of each of your fiduciaries.

Please review this estate plan summary and we can discuss it at our next meeting.

MARITAL DEDUCTION WILL

Another type of will which I will refer to generally as a Marital Deduction Will is a little less flexible than a Disclaimer Trust Will, but assures a tax-savings trust will be established at the death of the first spouse.

Under this scenario, the Will will provide that upon the death of the first spouse an amount equal to the New Jersey estate tax exemption (currently $675,000) be used to fund a Non-Marital/Bypass Trust. This amount will be sheltered from both Federal estate and New Jersey estate tax liability. There is no disadvantage from a tax standpoint of having the "Bypass" Trust automatically funded at the death of the first spouse. Contrary to the Disclaimer Trust Will, this type of Will reduces any concern the Testator may have about the surviving spouse not making the right decision or timely decision in funding the "Bypass" Trust.

The remaining estate could then pass outright or via a QTIP Trust (*i.e.*, a "Qualified Terminable Interest Property" Trust) to the surviving spouse. In either event, these assets pass tax free to the surviving spouse based on the 100% marital deduction discussed earlier in the text. To provide additional flexibility, the surviving spouse or the Executor of the estate with regard to the QTIP Trust can elect to have a portion of the remaining estate (not transferred to the Non-Marital/Bypass Trust) disclaimed. Any assets which are disclaimed will ultimately be added to the existing Non-Marital/Bypass Trust. This technique provides flexibility and at the same time guarantees the Testator that a minimum $675,000 will pass tax free to his heirs at the death of the survivor of him and his spouse.

Generally, this type of Will might be considered in connection with a larger estate. Below is an analysis of the tax consequences of utilizing an Outright Distribution Will versus a Marital Deduction Will, highlighting the more desirable results of the latter type of Will. This illustration also uses the Federal Applicable Exclusion Amount for 2013.

Outright Distribution Approach

Assume that a couple has an estate of $10,000,000. Assume further that the estate's assets are properly registered and $5,000,000 is in the name of the husband and $5,000,000 is in the name of the wife. Upon the wife's death, assuming she passes away first, the estate settlement costs of 8% are subtracted from the gross estate of $5,000,000. The resulting adjusted gross estate is $4,600,000. Thereafter, state and Federal taxes are subtracted. New Jersey State inheritance taxes, as in the previous approaches, are zero as the ultimate beneficiaries of the estate are the children.. Similarly, the Federal and New Jersey estate taxes are also zero due to the 100% Marital Deduction. Thus, the net estate passing to the surviving husband is $4,600,000.

Adding the net estate to the husband's independent estate of $5,000,000 gives the husband a gross estate of $9,600,000. Upon the husband's subsequent death, the 8% estate settlement costs are subtracted from the husband's gross estate, leaving an adjusted gross estate of $8,832,000. Assuming the husband's estate then passes to the children, state inheritance taxes on the adjusted gross estate are, again, zero. In the event that portability provisions are relied on and a timely election is made, there will be no Federal estate tax. However, if a timely election is not made at the death of the first spouse, the Federal estate tax liability would be $1,432,800. The New Jersey estate liability is calculated by taking the Adjusted Gross Estate ($8,832,200) subtracting $60,000 then using the net figure, calculate the tax based on the tax table found on page 12, i.e., $892,208. After the Federal estate and New Jersey estate taxes are subtracted from the adjusted gross estate this leaves $6,506,992 available to the children or $7,939,792 to the children if portability is available. Thus, beginning with a combined estate of $10,000,000, after subtracting estate taxes and administrative costs, only $6,506,992 could potentially pass to the children. A Marital Deduction

Will, however, will significantly reduce the tax liability and provide a larger estate for the children to inherit.

OUTRIGHT DISTRIBUTION WILL IN 2013

(As Compared to Marital Deduction Will)
Chart One

Total Estate = $10,000,000
Wife's estate = $5,000,000
Husband's estate = $5,000,000

$5,000,000	GROSS ESTATE (W at time of death)
$400,000	ESTATE SETTLEMENT COSTS (8%)
$4,600,000	ADJUSTED GROSS ESTATE
-0-	NEW JERSEY INHERITANCE TAX
-0-	NEW JERSEY ESTATE TAX (100% Marital Deduction)
-0-	FEDERAL ESTATE TAX (100% Marital Deduction)
$4,600,000	NET ESTATE TO HUSBAND
$5,000,000	HUSBAND'S ESTATE
$9,600,000	HUSBAND'S GROSS ESTATE (at H's death)
$768,000	ESTATE SETTLEMENT COSTS (8%)
$8,832,000	ADJUSTED GROSS ESTATE
-0-	NEW JERSEY INHERITANCE TAX
$892,208	NEW JERSEY ESTATE TAX
$1,432,800/0	FEDERAL ESTATE TAX (w/o portability/with portability)
$6,506,992/$7,939,792	AVAILABLE TO CHILDREN (w/o portability/with portability)

Marital Deduction Will Approach

Using the same example, upon the wife's death, as in the Outright Distribution example, $400,000 in estate settlement costs must be subtracted, leaving $4,600,000 as the adjusted gross estate. The Will provides that assets valued at the then-current New Jersey estate tax exemption be placed in a Non-Marital/Bypass Trust (i.e., $675,000). The Will also provides that the surviving spouse has the option to disclaim any of the remaining assets passing to her outright under the Will. The Will further states that any assets so disclaimed shall be added to and become part of the Non-Marital/Bypass Trust.

In the event the trust assets exceed the New Jersey estate tax exemption of $675,000, there will be a New Jersey estate tax liability. In this example, the surviving spouse chose to disclaim an additional $3,925,000 in an effort to fully fund the Trust by using $4,600,000 of the $5,250,000 Federal Applicable Exclusion Amount available in 2013. The disclaiming of additional assets into the Trust creates a New Jersey estate tax in the amount of $346,800. This tax is paid from the Non-Marital/Bypass Trust. The reason the Will directs it be paid from the Non-Marital/Bypass Trust and not from the Marital Share is that payment of the tax from the Marital Share could create an additional tax liability, since those moneys used to pay the tax liability will not qualify for the 100% marital deduction.

The Non-Marital/Bypass Trust usually designates the children as the ultimate beneficiaries, after the death of the surviving spouse. However, during the surviving spouse's lifetime, he receives the income from this trust plus as much of the principal that, in the Trustee's discretion, is needed to keep him living in the manner to which he is accustomed.

Under this example, there are no assets distributed to the husband via the Marital Deduction. At the subsequent death of the husband, his gross estate is comprised of his independent estate of $5,000,000. After subtracting the estate settlement costs of 8%, the adjusted gross estate is $4,600,000. From this, New Jersey and Federal estate taxes must be subtracted. State inheritance taxes are zero. There is no Federal estate tax and the New Jersey estate taxes are $346,800. After subtracting the New Jersey estate taxes from the adjusted gross estate, a net estate of $4,253,200, passes to the children together with the Non-Marital/Bypass Trust, $4,253,200, which also passes tax free to the children. Thus, the total amount passing to the children is $8,506,400, a tax savings of $1,907,808 over the Outright Distribution approach.

This illustration assumes that portability is not taken into account. If portability was taken into account and both the husband and wife died prior to December 31, 2012, there would be no New Jersey estate tax due at the death of the first spouse as the Non-Marital/By Pass Trust would only be funded by the New Jersey estate tax exemption amount of $675,000.

Assuming a husband and wife have a combined estate of $10,000,000 the risks and benefits of fully funding the Non-Marital/By Pass Trust with the then current Federal estate tax exemption should be discussed with each client based on their particular facts and circumstances.

There are tax reasons to fund the Non-Marital/By Pass Trust. For example, the appreciation on the trust assets is not included in the estate of the surviving spouse and will pass both Federal and New Jersey estate tax free. In addition, portability is not applicable to Generation Skipping Tax and this means that some or all of the first spouse to die's GST exemption may be wasted unless this trust is funded as the GST exemption can be allocated to the Non-Marital/By Pass Trust. The surviving spouse may not use the deceased spouse's unused GST exemption.

There are also non-tax reasons to fund the Non-Marital/By Pass Trust including protecting the assets from the potential second marriage of the surviving spouse and creditor protection as the trust assets

are not 100% available to the surviving spouse and could protect against circumstances including divorce and other liabilities.

QTIP Trusts

Another useful tool which may be incorporated into the Marital Deduction Will is the QTIP (Qualified Terminable Interest Property) Trust. This type of trust is used in several situations. It may be used in a situation where the husband and wife both have children from previous marriages. This trust insures that each spouse's children will receive part of their parents' estate regardless of which spouse dies first. A QTIP Trust is achieved by placing the Marital Share in Trust.

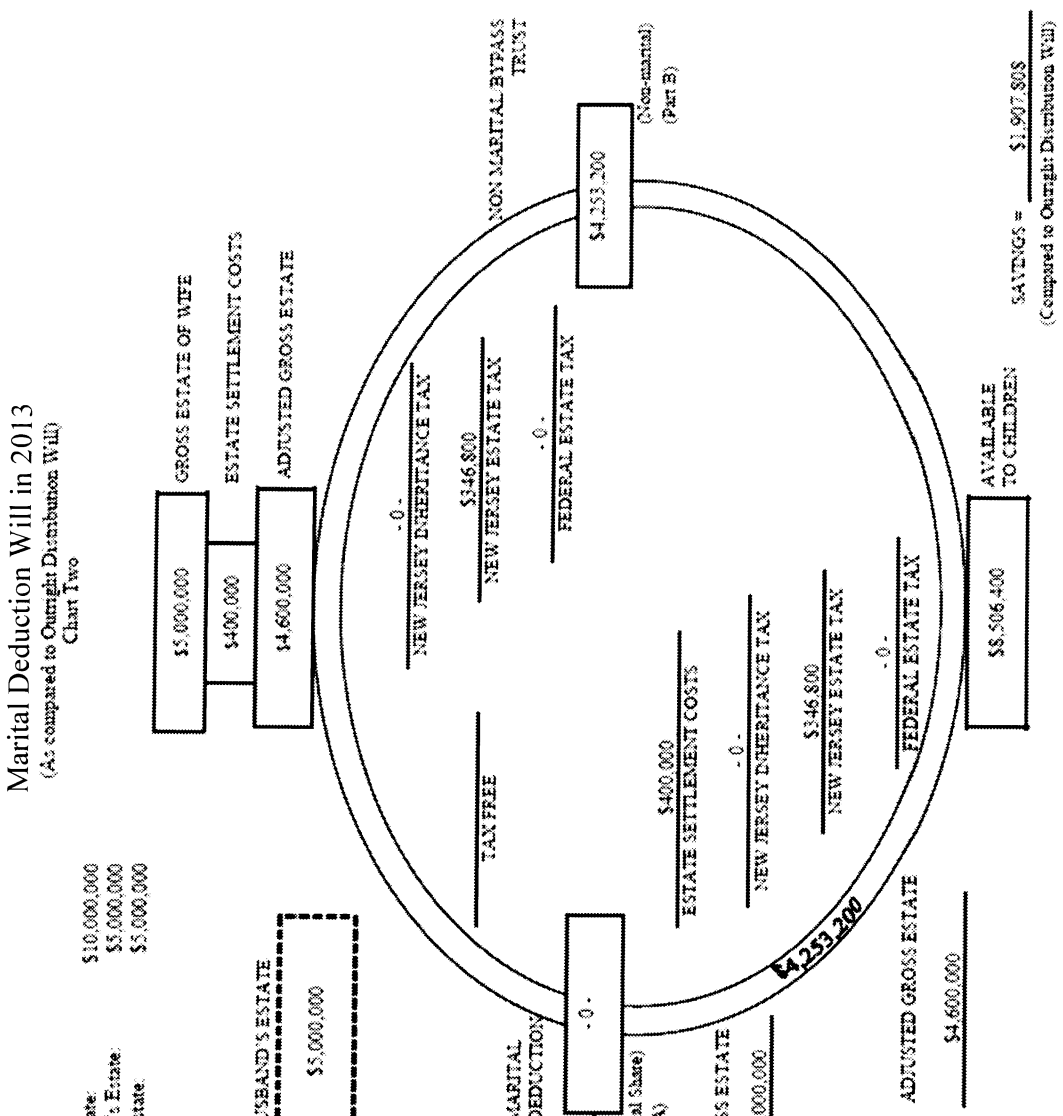
Under the Federal estate Tax law, a QTIP Trust will not be taxed in the estate of the first spouse to die but will be included in the taxable estate of the surviving spouse. Note that the Executor, similar to the surviving spouse in the situation above, can be given the flexibility to elect to make a partial QTIP election. This is an election to have the trust assets qualify for the marital deduction pursuant to the terms of the Will. Any assets for which no election is made would be used to fund the Non-Marital/Bypass Trust. This has the same effect as the surviving spouse's disclaimer. This technique was based on a Fifth Circuit Court of Appeals case *Clayton v. Commissioner,* 976 F. 2d 1486 (5th Cir 1992), rev'g 97 T.C. 327 (1991). Under this technique, at the death of the first spouse, the Non-Marital/Bypass trust is initially funded with the then-current State estate tax exemption ($675,000 for New Jersey). The excess exemption between the State Estate tax exemption and the Federal Applicable Exclusion (i.e., $4,575,000 in 2013) will fund either the QTIP Trust or the Non-Marital/Bypass Trust. The decision, whether to qualify this excess exemption for QTIP treatment and the amount to qualify, is made by the executor of the estate of the first spouse to die. It is recommended that the Executor not be the surviving spouse so as to avoid the some of the same concerns expressed with regard to the surviving spouse's ability to disclaim assets into the Disclaimer Trust. The election to qualify a portion of the excess exemption amount for QTIP treatment is made on the Federal estate Tax return on Schedule M. Unlike a Disclaimer, there are no other documents to be prepared or filed other than the Federal estate Tax return that the executor would be required to file in any event if the estate is over the exemption amount.

The QTIP election can be made up to 15 months after the death of the first spouse. This would require the filing of an automatic 6 month extension of the time to file the Federal estate Tax return which is normally due within 9 months of the date of death. No extension is permitted for a Disclaimer for Federal estate tax purposes and it must be filed within the 9 months of the date of death or the option to Disclaim is terminated.

Similar to the Non-Marital/Bypass Trust, under the QTIP Trust, the surviving spouse could receive all of the income and can also receive so much of the principal as the Trustee believes is needed to keep the surviving spouse living in the style to which she is accustomed. Upon the death of the surviving spouse, the entire trust could be paid to the children of the Testator and not to the children of the income beneficiary (*i.e.*, a second wife).

Another situation where a QTIP Trust may be warranted is when the surviving spouse is not capable of managing the assets in the decedent's estate. The Testator, therefore, provides that the portion of his estate that qualifies for the marital deduction is be held in trust and managed by the Trustee. Upon the death of the surviving spouse, the remainder of the trust, if anything, is distributed to their children.

Note that in both situations, no one other than the surviving spouse may receive any income or principal during the life of the surviving spouse pursuant to the terms of the QTIP Trust. This is necessary to insure the QTIP Trust qualifies for the marital deduction.


Marital Deduction Will in 2013
(As compared to Outright Distribution Will)
Chart Two
Total Estate: $10,000,000
Husband's Estate: $5,000,000
Wife's Estate: $5,000,000
HUSBAND'S ESTATE
$5,000,000
GROSS ESTATE OF WIFE
$5,000,000
ESTATE SETTLEMENT COSTS
$400,000
ADJUSTED GROSS ESTATE
$4,600,000
MARITAL DEDUCTION
- 0 -
(Marital Share)
(Part A)
GROSS ESTATE
$5,000,000
- 0 -
NEW JERSEY INHERITANCE TAX
TAX FREE
$346,800
NEW JERSEY ESTATE TAX
- 0 -
FEDERAL ESTATE TAX
$4,253,200
NON MARITAL BYPASS TRUST
$4,253,200
(Non-marital)
(Part B)
$400,000
ESTATE SETTLEMENT COSTS
- 0 -
NEW JERSEY INHERITANCE TAX
$346,800
NEW JERSEY ESTATE TAX
- 0 -
FEDERAL ESTATE TAX
ADJUSTED GROSS ESTATE
$4,600,000
AVAILABLE TO CHILDREN
$6,506,400
SAVINGS = $1,907,808
(Compared to Outright Distribution Will)

The following is a sample letter and estate plan summary which would be sent to a client explaining the Marital Deduction Will and other standard estate planning documents (*i.e.*, Power of Attorney, Healthcare Proxy Directive and Living Will).

Sample Letter and Estate Plan Summary
for Reciprocal Marital Deduction Will

June 30, 2013

Mr. and Mrs. J. Smith
2 Olive Drive
Princeton, New Jersey

Re: Smith Estate Plan

Dear Mr. and Mrs. Smith:

Enclosed is an estate plan summary, together with tax computations covering the estimated Federal estate taxes under various plans of distribution. This plan takes into consideration the value of your combined estates (*i.e.*, approximately $10,000,000) and your objective of saving as much in Federal estate taxes as possible.

After you have has the opportunity to review the enclosures, may I suggest that you come to my office on Monday, July 15, 2013, at 9:00 a.m., to discuss any questions you may have.

Please call to confirm this appointment.

Very truly yours,

Lisa M. Butler

ESTATE PLAN SUMMARY
UTILIZING RECIPROCAL MARITAL DEDUCTION WILLS

June 2013
Smith Estate Plan

The following estate program is based on financial information furnished to me at our conference, your stated objectives and the object of saving as much as possible in Federal estate tax have been incorporated into this program. The approximate value of Mr. Smith's estate is $5,000,000 and that of Mrs. Smith is $5,000,000 from a tax standpoint.

This estate plan summary sets forth various issues that should be considered in order to fulfill your estate plan objectives. This summary is divided into subsections for your convenience.

1) Charts/Explanations - demonstrates the advantage of Reciprocal Marital Deduction Wills.

2) Reciprocal Marital Deduction Will - explains the pertinent provisions of the Will.

3) Distribution at Death of Survivor - explains the distribution pattern that occurs upon the death of both you and your husband.

4) Spouse's Will - explains the benefits of both you and your husband having reciprocal or identical Wills.

5) Jointly-Owned Property - proper registration of assets is essential to an effective estate plan.

6) Living Wills - explains the option of executing a Living Will.

7) Power of Attorney - details the importance of executing Powers of Attorney.

8) Letter of Instruction - recommends that you draw up a Letter of Instruction.

9) Fiduciaries - requests a list of your chosen fiduciaries.

10) Summary - briefly summarizes what our office will be doing for you and what you need to do to complete your estate plan.

Charts and Explanations

For purposes of illustration, several computations have been made as follows:

Chart 1: Outright Distribution Approach

Chart 1 demonstrates the tax consequences of an unplanned outright distribution Will by both you and your husband. Under this program the total estate available to your ultimate beneficiaries (i.e., your children) at the death of the survivor of you would be $6,598,592 not taking into account portability and $7,939,792 taking into account portability.

Chart 2: Marital Deduction Will

Chart 2 demonstrates the tax consequences of a Martial Deduction Will. This computation presumes that your estate is valued at $5,000,000 while your husband's estate is valued at $5,000,000. Furthermore, the chart presumes that you predecease your husband. Under these circumstances the tax savings to your ultimate beneficiaries is substantial because at the death of the survivor of you, your children will receive a total of $8,506,400. This amount represents a savings to the children of $1,907,808 over the amount that would be received under the outright distribution approach described above.

Marital Deduction Will

Obviously, the latter approach is the most beneficial from a tax savings standpoint. Under this program your Will would first provide for the disposition of personal property. Thereafter, the remaining estate would be divided into two parts, Part A, the so-called Marital Deduction, and Part B, the Non-Marital Trust, or Bypass Trust (an amount equal to the exemption from New Jersey estate tax liability, currently $675,000 plus any additional assets which are disclaimed or not selected for QTIP treament). Part A could pass outright or in trust to Mr. Smith and completely Federal estate tax free under the marital deduction. Mr. Smith could also be given the power to disclaim any portion of the assets passing to him under the Will and, if disclaimed, said assets would be added to and become part of the Non-Marital/Bypass Trust and administered in accordance with the trust provisions.

Under your Will, Part A, the Marital Deduction can be distributed outright to your husband upon your death *or,* it can be distributed to him via a trust known as a **QTIP (Qualified Terminable Interest Property) Trust**. Under the trust, your husband will receive all of the income plus so much of the principal as the Trustee of the trust believes he needs to keep him in the style to which he has been accustomed. Further, if it was needed, the entire trust principal could be used for his benefit. Upon Mr. Smith's subsequent death, the entire trust could be paid one-half to Mr. Smith's daughter from his previous marriage and one-half to your children or any other plan of distribution of your choice.

Part B, the Bypass Trust, would be placed in trust and would not be taxed if it were funded with $675,000 or less. However, in your circumstances I am assuming your Executor made a partial QTIP election for certain assets and therefore the remaining additional assets will be used to fund the Non-Marital/Bypass Trust. As you are aware, this trust can be funded up to the Federal Applicable Exclusion Amount without incurring Federal estate tax liability. However, there would be a New Jersey estate tax imposed in the amount of $346,800 if we fund the trust with $4,600,000. Mr. Smith would receive all of the income from the Non-Marital/Bypass trust, plus so much of the principal as was necessary to keep him in the style to which he is accustomed to living and for any emergency expenses. This trust would be funded with the income-producing assets in your estate represented by your investments and other assets. The invasionary power over the principal of this trust for Mr. Smith may only be exercised by the corporate or

non-beneficiary trustee to insure that the trust would not be taxed at Mr. Smith's subsequent death. In addition, Mr. Smith may invade the principal of this trust for any reason to the extent of $5,000 or 5% of the trust, whichever amount is greater, under a special provision of the Federal Estate Tax Law on an annual non-cumulative basis. At Mr. Smith's death, whatever amount is left in the trust would pass to your children free of any Federal estate tax. It is important to recognize that this trust may be used totally for Mr. Smith's benefit, and your children and Mr. Smith's child from his previous marriage are merely entitled to what is left in the trust, if anything.

Distribution at Death of Survivor

Distribution of Part A and B (*i.e.*, the QTIP Trust and Non-Marital/Bypass Trust) to your children and Mr. Smith's children will occur at the death of the survivor of you. Fifty percent (50%) of your estate could be distributed to your children and fifty percent (50%) to Mr. Smith's children. The payment could be made to them in stages, *i.e.*, one-third at the death of the survivor of you, one-half of the balance 5 years after the first distribution, and the balance 10 years after the first distribution, or outright at the death of the survivor of you or in any other manner you may choose.

Spouse's Will

With respect to Mr. Smith's estate, his Will could be a mirror image of your Will. We could prepare a QTIP Marital Deduction Will for Mr. Smith which would provide for a Non-Marital/Bypass Trust for your benefit and the remainder of his estate would be distributed to you by means of the Qualified Terminable Interest Property (QTIP) Trust.

Jointly-Owned Property

In order for the Marital Deduction Wills to operate effectively, it is necessary to change all assets which are registered as joint tenants with the right of survivorship (JTWROS) to tenants-in-common. This would apply to your real estate as well as all bank and brokerage accounts. There would be no adverse tax consequences to these re-registrations. The reason for this suggestion is that under the present joint ownership, at the first spouse's death the funds go directly to the surviving spouse completely outside the control of the Non-Marital/Bypass Trust and QTIP Trust and could cause greater tax at the surviving spouse's subsequent death. The other alternative would be to maintain accounts in your individual names.

Living Will

New Jersey has made an important decision affecting the quality of life for its citizens by enacting legislation that gives adults control over their medical treatment through living wills. The New Jersey Advance Directives for Health Care Act provides individuals with a choice, allowing them to specify whether they wish to have or refuse certain medical treatments and life-sustaining measures. It also gives competent adults (18 and older) the right to appoint a trusted friend or relative to make medical decisions for them, if they lose the ability to decide for themselves. Such an individual is known as a Healthcare Representative. In addition, you may change or revoke your living will at any time.

The legislation sets out the rights and duties of patients, families and caregivers, freeing them from some of the legal, emotional and financial uncertainties of dealing with terminal illness, mental incompetence and medical conditions resulting in permanent unconsciousness. New Jersey is the 48th state to give legal recognition to living wills. Please let me know at our next meeting if you are interested in having living wills prepared.

Power of Attorneys

A. Financial

As an emergency measure, I would also suggest preparation of general powers of attorney. These documents enable you to appoint someone to act on your behalf if you are away on a trip or become disabled. The person appointed, your attorney-in-fact, can be authorized to act at any time or restricted to such time as you become disabled. These documents can avoid the necessity of possible guardianship proceedings or simply save time in the event you are unable to act.

B. Medical

Medical Powers of Attorney (also known as Health Care Proxy Directives) permit you to designate someone to act on your behalf when making everyday decisions regarding medical treatment. This is equally important as both the Living Will and the Financial Power of Attorney.

Letter of Instruction

In addition to your Will, another helpful but less formal document which can be drafted by you or may be drafted by us on your behalf is a Letter of Instruction. The letter of Instruction can provide the Executor of your estate and the beneficiaries with some additional and more personal information regarding your estate. One of the most important -- and easily overlooked -- estate planning steps is to document the location of important personal and financial records and to identify who your advisors are. By organizing this information, you will simplify the duties of your family or personal representative at a time when he or she may be under severe emotional and physical stress. Keep a copy in a safe location at your home or office. Let a family member or advisor know where this letter is located. Update the letter at least yearly. Here is what should be documented.

1. All bank accounts, their locations, numbers and maturity dates.
2. Location of safe deposit boxes and keys, home safes, private vaults, and combinations that may be needed.
3. Location of your Will (and any codicils) and any trust agreements.
4. Location of your spouse's Will (and codicils) and any trust agreements.
5. Location of all your insurance policies -- type and policy numbers.
6. Location of stock certificates and bonds.
7. Location of pension, IRA, and Keogh documents.
8. Location of real estate records (including deeds, mortgages, title insurance, closing statements and leases).
9. Location of automobile titles.
10. Amount due on loans and names of lenders.
11. Location of your income tax returns.
12. Your accountant's name, address and phone number.
13. Your attorney's name, address and phone number.
14. Your insurance agent's name, address and phone number.
15. Burial instructions.

I also enclose a sample Letter of Instructions.

Fiduciaries

Please provide the names of the individuals/institutions you wish to use in the following capacities:

Mrs. Smith's Will

Executor_____

Contingent Executor_____

Trustee_____

Contingent Trustee_____

Guardian_____

Contingent Guardian _____

Mr. Smith's Will

Executor_____

Contingent Executor_____

Trustee_____

Contingent Trustee_____

Guardian_____

Contingent Guardian_____

Mrs. Smith's Power of Attorney

Attorney-in-Fact_____

Contingent Attorney-in-Fact_____

Mr. Smith's Power of Attorney

Attorney-in-Fact_____

Contingent Attorney-in-Fact _____

Mrs. Smith's Living Will/Healthcare Proxy Directive

Health Care Representative _____

Contingent Healthcare Representative _____

Mr. Smith's Living Will/Healthcare Proxy Directive

Healthcare Representative _____

Contingent Healthcare Representative _____

Summary

In summary, the following steps will be taken by our office to complete your estate:

1. Prepare QTIP Marital Deduction Wills for Mr. and Mrs. Smith.
2. Prepare Powers of Attorney for both Mr. and Mrs. Smith.
3. Prepare Living Wills for Mr. and Mrs. Smith.
4. Prepare Healthcare Proxy Directives for Mr. and Mrs. Smith.
5. Change deed to your present residence from Tenants-by-the-Entirety (or Joint Tenancy with Right of Survivorship) to Tenants-in-Common.

The following steps should be taken by you and your wife to complete your estate:

1. Re-register bank and brokerage accounts to Tenants-in-Common.
2. Provide my office with the deed to your residence so that I can re-register the deed to Tenants-in-Common.
3. Provide me with the proper names of each of your fiduciaries.

Please review this estate plan summary and we can discuss it at our next meeting.

MECHANICS OF ESTABLISHING A TRUST UNDER A WILL

It is of importance to point out to the client that their Will is not effective until they pass away. Therefore, any trusts established under the Will need not be funded, created or administered until after the death of the Testator.

For example, while a Disclaimer Trust Will sets forth trust provisions for the Disclaimer Trust, or, perhaps a Trust for minor children, it is possible that neither Trust will be funded, *i.e.*, the surviving spouse elects not to disclaim or minor children are no longer minors at the death of both parents.

However, when the Testator dies, if the Will provides for a trust and the decision is made to fund the trust either because the spouse has disclaimed or the terms of the Will explicitly provide that a trust be established, the trust must now be created.

By definition a trust is "A right of property, real or personal, held by one party for the benefit of another . . . . . Any arrangement whereby property is transferred with intention that it be administered by trustee for another's benefit." Blacks Law Dictionary, Fifth Edition, West Publishing Co. (1979) p.1352.

When creating a trust, a new taxable entity is being established, and, therefore, it is necessary to obtain an employer identification number (EIN). The Trustee completes a Form SS-4 application to obtain the EIN from the Internal Revenue Service. The application can be mailed or faxed to the IRS, and you can also apply over the telephone or online. Once the EIN is obtained, this number is used to open a trust account at a financial institution of the Trustee's choice. The account will be used to receive the assets transferred from the estate into the trust. For ease of management, one trust account may be advisable. However, there is no reason why several trust accounts could not be established. The name of the account could be "Trust under the Last Will and Testament of John Doe, Lisa M. Butler, Trustee." In the event real estate is being transferred into a trust, it will be necessary to prepare a new deed re-registering the real property from the decedent's name into the name of the trust.

Once the trust is established, the Trustee is bound by the terms of the trust described under the Will. The Trustee may have to distribute all the income to the surviving spouse not less frequently than quarter annually, and also distribute principal in accordance with an ascertainable standard (*i.e.*, the beneficiary's health, welfare and maintenance). While there is often a standard, these payments are at the Trustee's discretion.

If the trust is for a child, the trust provisions may require the Trustee to pay for educational expenses. In this event, it is as simple as the Trustee writing a check from the trust account to the educational institution. The trust may require direct distribution to the child when he or she attains a certain age, in which event the trust will transfer the trust assets, either in kind or in cash, to the child when he or she reaches the specified age. If there is more than one child and the Will prescribes separate trusts for each child, the Trustee can use the same tax identification number for each trust but will open separate trust accounts, *i.e.*, "Trust under the Last Will and Testament of John Doe FBO (for the benefit of) Jane Doe" and "Trust under the Last Will and Testament of John Doe FBO Susan Doe."

The Trustee will be required to file an annual Fiduciary Income Tax Return (Form 1041). This Return reports all the income earned by the trust as well as the name(s) of the income recipient(s). A Schedule K-1 is attached to the Form 1041 Return for each trust beneficiary. The Schedule K-1 reports each beneficiary's share of income, deductions, credits, *etc.* received during the taxable year. The beneficiary of the trust then attaches the Schedule K-1 to their personal income tax return and reports the trust income tax consequences on their personal return.

THE SINGLE CLIENT

Thus far, this text has discussed estate planning for a husband and wife. An estate plan can be established for a single client as well. However, in most instances Federal and New Jersey estate tax savings cannot be accomplished via a Last Will and Testament unless there is a charitable beneficiary. A common estate plan for a single client will include an Outright Distribution Will, a Power of Attorney and a Living Will. If the individual has a taxable estate, other more sophisticated estate planning techniques would be considered such as an Irrevocable Insurance Trust, Qualified Personal Residence Trust, Family Limited Partnership and other gifting methods, all of which are discussed in more detail further in this text.

SPECIAL NEEDS TRUST

In the event a client has a disabled or dysfunctional child, it is necessary to consider the possibility of establishing an inter vivos Special Needs Trust which can be used during lifetime to hold the assets of the disabled child as well as any inheritance received from his parents or other family members. Under the parents' Will, it provides that the share of the disabled child be poured over into the inter vivos Special Needs Trust. The Special Needs Trust can assist a parent in providing for a disabled son or daughter without risking disqualification from receiving government benefits. The objective of the Special Needs Trust is to insure that the disabled child's healthcare costs are paid, first from available government programs and, only after these funds have been exhausted, from the discretionary Special Needs Trust. The parent's intent is to use the income and principal from the Special Needs Trust as a supplement to the benefits provided by government programs, and that the Trust assets not be used as a primary means of support for the disabled child. This type of Trust can be very detailed in that it can designate, in the parent's absence, who will take on the parent's role, provide housing and personal support. It is essential to carefully draft such Trusts and take into consideration each family's circumstances. The details of such a trust are beyond the scope of this text.

REVOCABLE LIVING TRUST

A Revocable Living Trust is created during an individual's lifetime and, to the extent possible, all the individual's assets are transferred to the Trust. In most cases, the client is both the Trustee and Grantor at inception of the agreement. Upon the death of the Grantor, the assets held in such a trust pass directly to the beneficiaries designated in the trust and are not included in the distribution under a Last Will and Testament. The Grantor, during his lifetime, retains the right to revoke the trust, change its terms or regain possession of the trust assets.

In New Jersey, Living Trusts are beneficial for a limited number of clients and do not accomplish much for most individuals. Proper registration of a client's assets, the preparation of tax-planned Last Wills and Testaments and Powers of Attorney can often times have the same results as a Living Trust.

Living Trusts do avoid probate. Probate is the process of proving the authenticity of the Will and administering the Will, *i.e.*, making sure that the Testator's property is distributed to the beneficiaries designated in the Will. The question is why should an individual try to avoid probate?

First, rarely can someone avoid probate altogether because certain assets cannot be transferred to the Trust, *e.g.*, accounts receivable from a business, an individual's last pay check, title to an automobile.

For smaller estates, the legal fees for establishing the Trust could be more than the cost of probate itself. In New Jersey, the probate process is usually inexpensive and expeditious. Letters Testamentary are often issued by some Surrogate Offices the same day the Will is probated. Other offices will usually mail

the Letters Testamentary within a two week time period. New Jersey has informal, unsupervised probate which means the Executor can pay off creditors and distribute the remaining property with virtually no oversight by the Court. Further, the actual costs of probate are greatly reduced if a family member is designated as Executor and agrees to serve without taking an Executor's commission or, conversely, is perhaps the sole beneficiary, in which case taking a commission is a potential deduction against Federal or New Jersey estate tax.

Living Trusts do have some advantages. For instance, if a client owns real estate in more than one State, the Trust may allow the Grantor to avoid ancillary probate in States other than his or her State of residence. A Living Trust is also useful if a Grantor would like someone else to manage his or her assets during his or her lifetime by designating a Trustee other than himself or herself. In addition, if a Testator anticipates a Will contest, it may be wise to establish a Living Trust which may be more difficult to challenge on theories such as in competence and undue influence.

While Living Trusts have a place in some estate plans, they are not a necessary technique for many people and should not be used without careful consideration of the client's circumstances.

OTHER ESTATE TAX PLANNING TECHNIQUES

In the simplest terms, the smaller the size of a client's estate, the smaller liability is for the Federal and New Jersey estate tax. Gifting can reduce the size of a client's estate. The client should be informed of basic gifting techniques as well as more sophisticated gifting which will reduce the ultimate tax liability. This section of the text is intended to give you a brief overview of more complex estate planning techniques.

Reducing the Size of Estate Through Gifting

Under the gift tax laws there are several ways to make non-taxable gifts by using: The annual exclusion, I.R.C. 2503(b) (currently $13,000), the unlimited gift tax marital deduction, I.R.C. 2523, and the gift tax exemption, I.R.C. 2505. In order to be valid gifts, however, the donor must relinquish all control over the gift. Treas. Reg. 25.25.11-1(b). For example, a father may not give stock to his son but retain dividends for his own use.

Annual Exclusion

The annual exclusion provides an individual with the opportunity to give to any number of people the annual exclusion amount (currently $14,000) each year without incurring gift tax liability. A common misconception is that this exclusion applies only to gifts to family members. The exclusion applies to any transfer from one person to another.

One must remember that the gift tax, if any, is payable by the donor, the person making the gift, and not the donee, the person receiving the gift I.R.C. 2502(c), Treas. Reg. 25.2502-2. The donee is not required to pay income tax on the amount of the gift, I.R.C. 102; however, the donor is not permitted to claim an income tax deduction for the amount of the gift.

In addition to his or her own annual exclusion, an individual may use his or her spouse's annual exclusion with the spouse's consent. If an individual's gift is $14,000 or less, the individual is not required to file a gift tax return. However, if one spouse makes a gift and uses the other spouse's exemption, a gift tax return must be filed to memorialize the spouse's consent. See I.R.C. 6019 and Treas. Reg. 25.6019-2.

Gifts may be made with anything of value; cash is by no means the only medium. Real estate or partial interests in real estate, stocks, bonds, life insurance, annuities, income from a trust, creation of a joint bank account, and articles of personal value are just a few examples of gifts.

The Taxpayer Relief Act of 1997 (TRA97) provides that annual exclusion gifts will be adjusted for inflation but must be rounded to the next lowest multiple of $1,000. Currently the annual exclusion is $14,000.

Unlimited Gift Tax Marital Deduction

The second important gift tax provision is the unlimited gift tax marital deduction. Under the Economic Recovery Tax Act of 1981, any gifts from one spouse to another are completely tax free. I.R.C. 2523. Neither spouse needs to file a tax return for a transfer by gift with respect to which a marital deduction is allowed under I.R.C. 2523 or I.R.C.6019. Note that the unlimited marital deduction is not available for gifts made to a spouse who is not a U.S. Citizen.

Gift Tax Exemption

The third important gift tax provision is the gift tax exemption. See the current Gift Tax rate table below:

Gift Tax

Year	Exemption	Max. Rate
2010	1,000,000	35%
2011	5,000,000	35%
2012	5,120,000	35%
2013	5,250,000	40%
2014	5,340,000	40%

Death Bed Gifts

The Federal law provides that, generally, gifts made as "death bed gifts" will not be subject to the three-year contemplation of death rule for decedents dying after 1981. I.R.C. 2035. However, pursuant to I.R.C. 2035, a transfer of an interest in property which is included in the value of the decedent's gross estate under I.R.C. 2036, 2037, 2038 or 2042 or would have been included under any of these sections had such interest been retained by the decedent, will continue to be subject to the three-year contemplation of death rule. This property is includable whether or not the value of the interest is less than the gift tax annual exclusion amount

For example, in the event a decedent transfers ownership of his life insurance policy to an Irrevocable Insurance Trust or to an individual, the proceeds of this life insurance policy will be included in his gross estate if he dies within three years of the transfer date. The reason it is included in the decedent's gross estate is that had he not transferred the ownership of the policy prior to his death, the policy proceeds would have been included in his gross estate under I.R.C. 2042.

It is important to note that State law remains unchanged. A rebuttable presumption exists that gifts made within three years of death are in contemplation of death and, therefore, taxable. The presumption under State law is very difficult to rebut.

School Tuition and Medical Expenses

Under Internal Revenue Code 2503(e), a gift tax exclusion exists for gifts made on behalf of an individual for educational or medical expenses. These gifts will not be subject to gift tax as long as the

payments are made directly to the educational institution or the medical services provider. Reimbursement of these payments to the donee, however, will not qualify for this gift tax exclusion.

Irrevocable Insurance Trust

An Irrevocable Insurance Trust employs gifting and can remove assets from a Testator's taxable estate. This technique requires that insurance policies owned by a testator be transferred to an Irrevocable Insurance Trust. In the alternative, a new policy can be purchased on the life of the grantor of the Trust by the Trustee. This method will avoid the previously discussed three-year contemplation of death rule. The Trust is named as both the owner and beneficiary of the policies. When the Testator dies, the proceeds of the insurance policies are payable to the Trust and not included as part of the Testator's taxable estate. The income from the Trust is payable to the surviving spouse and upon her death, to the children. When the surviving spouse subsequently dies, the Trust also escapes taxation in her estate. Distribution of the Trust usually occurs in the same manner as provided for under the Will of the first spouse to die.

Once the Testator transfers ownership of the insurance policies, the Trust, as owner, becomes responsible for the premiums on the policy. The Grantor (*i.e.*, insured) makes a gift of the premium payable to the Trustee of the Trust, and the Trustee in turn pays the premium. To insure that the gift of the premium qualifies as part of the annual exclusion, it must be a gift of a present interest. This means that the donees (*i.e.*, the ultimate beneficiaries of the Irrevocable Insurance Trust) must be able to take the gift. Therefore, the Trustee sends out what is known as a "Crummey Notice." Crummey v. Comr., 397 F.2d 82 (9th Cir. 1968) is a famous tax case upon which the notice requirement is based. In Crummey, the court held that transfers to a trust qualified as annual exclusion gifts as long as the beneficiaries of the trust had the immediate right to withdraw the gifted amount. Notice to the beneficiary that a gift had been made states that the beneficiaries have a right to withdraw the gift over a 30-day period based upon their proportionate share in the Trust, and if they do not exercise the right the moneys will be used to pay the premium.

Often times, the proceeds of an insurance trust are used to help the beneficiaries of the estate pay any estate taxes and settlement costs due at the death of the surviving parent.

The client may also consider establishing a Last-to-Die Irrevocable Insurance Trust which could provide an additional fund for the payment of Federal estate taxes and possibly additional assets to their children. This Trust is funded by a last-to-die insurance policy. This policy is on the lives of both the husband and wife and is payable at the death of the survivor. Each year the client would make a cash gift of the premiums on the policy to the Trustee of the Trust who would in turn pay the premiums. At the death of the survivor the proceeds are payable to the Trust and not included as part of their taxable estates.

Qualified Personal Residence Trust (QPRT)

This type of Trust-gifting technique does not utilize the annual exclusion because it is not a gift of a present interest. The client must use a portion of their lifetime exemption from gift tax (currently $5,250,000).

In summary, the QPRT would require both the client and his spouse to transfer their respective 50% interests in their home and/or vacation property to the Trustee of the QPRT for a specific term of years. One reason for creating two QPRTs for the same property is that the value of the property may be discounted. By virtue of the fact that each Grantor of a 50% interest has a minority interest, such interest can be discounted "due to lack of marketability." For example, a reasonable discount could be 15-20%. Another reason for creating two trusts has to do with the fact that for the QPRT to be effective, the grantor must survive the Trust term. If only one spouse survives the Trust term, at least 50% of the value of the property is removed from their combined estates.

The client would retain the right to live in the home/use the vacation property and at the end of the term, this property will not be taxed in their respective estates. For gift tax purposes, a gift occurs at the time the deed is transferred. However, the gift made by using the QPRT is much less than if the client gifted the property outright. An appraisal by a qualified appraiser is necessary, as well as a gift tax return.

With regard to the QPRT, the amount of the gift will vary depending on the term of the Trust. The client will have to use a portion of their exemption from gift tax. Although there will be no tax due because the client is using a portion of their gift tax exemption, it will still be necessary to file a gift tax return to report the use of the portion of their exemption.

The establishment of the QPRT will serve to remove the client's primary residence and/or vacation property from their estates, including any appreciation. The IRS permits the establishment of no more than two QPRTs and is limited to a primary residence and a vacation property used by the Grantors. Generally, the Trust will hold no other asset than the interest in the real estate used or held for use by the Grantor. Note, the Grantor is responsible for paying the real estate taxes during the term of the Trust.

The Grantor can also be the sole Trustee of the QPRT, having complete control of the trust property during the term of the Trust. The property may be sold during the trust term. The proceeds may be reinvested in a new residence within two years or the Trust will cease to be a QPRT at the end of the two-year period. At this point, the Trust would provide for a conversion to a Qualified Annuity Trust. The Grantor would then receive a pre-determined annuity amount on an annual basis for the remainder of the trust term.

As previously states, the creation of these Trusts results in a gift. For illustration purposes, the gift is calculated based on the values of the client's residence ($800,000), their ages (55 and 60), the term of the trust and an IRS monthly §7520 interest rate (in this case the rate of 3.0% was used). In addition, a 20% discount was factored into this calculation because two QPRTs are being established. The following are a few of the many scenarios that are possible.

TRUST TERM 5 YEARS	**TRUST TERM 10 YEARS**	**TRUST TERM 15 YEARS**
Amount of Gift: $519,962	Amount of Gift: $409,821	Amount of Gift: $308,624

The client can live in their residence for the specified term of years and the end of the Trust term, the client can continue to live there if they pay fair market value rent to the trust beneficiaries, usually their children.

In order to realize the tax savings of a QPRT, the Grantor must survive the trust term. If the Grantor dies before the end of the trust term, the interest in the property will be included in their estate, as if the Trust was never created. But, nothing ventured, nothing gained. The client's estate will not be any worse off if the Grantor does not survive.

Note, with the QPRT the ultimate beneficiaries (*i.e.*, the children) will receive the client's costs basis in the property, as opposed to receiving a stepped-up basis (fair market value as of the date of death) if they received the property under the client's Will.

In the event the client decides to go forward with the QPRTs, inform the client that an appraisal of the real estate as well as their birth dates must be provided to correctly calculate the gifts made through the QPRTS.

Family Limited Partnership

A Family Limited Partnership is an estate planning technique which provides a method of giving away asset value and at the same time retaining a controlling interest in the assets gifted away.

The Family Limited Partnership is established by drafting two documents: the Certificate of Limited Partnership, which is signed by the General and Limited Partners and is recorded with the New Jersey Secretary of State, and the Family Limited Partnership Agreement, which sets forth the duties, rights and obligations of the General and Limited Partners. A husband and wife can hold 10% (5% each) as General Partners and 90% (45% each) as Limited Partners at the inception of the Partnership Agreement. Note that with recent changes in New Jersey law, many clients are considering forming partnerships in states where fees and income-tax consequences are less onerous.

The Partnership should be funded by an asset or assets which do not necessarily produce income but have the potential of appreciation in value. Assets which may meet this criterion are various real estate holdings, security accounts and/or a family business. Note that recently the IRS is carefully scrutinizing whether or not a legitimate business purpose is in existence.

Interest in these assets are transferred to the Limited Partnership by creating new deeds from the client to the Family Limited Partnership, or re-registering security accounts into the name of the Family Limited Partnership. By doing this, the client is then able to make gifts of Limited Partnership interest to their children, grandchildren and any other individuals chosen by the client.

Each spouse has the ability to give away the annual exclusion amount (currently ($14,000) to any number of people during each calendar year. Under the Limited Partnership the husband and wife would begin to give a total of $26,000 in Limited Partnership interest to each of their children each year until they have gifted the entire 90% of Limited Partnership interest. The husband and wife would still maintain control over the Partnership as they are the General Partners.

Advise the client that they can accelerate the gift program by each of them using a part or all of their gift tax exemption. The client should recognize, however, that by using their respective exemptions, the only value that will escape taxation in their estate is the appreciation which occurs between the time of the gift and the time of their respective deaths.

Prior to establishing the Family Limited Partnership, it is necessary to obtain appraisals of the Partnership assets. Thereafter, each time a gift is made via the Family Limited Partnership, new appraisals should be obtained. Also, be advised that although the gift may not exceed the annual exclusion amount per donee/child each year, a gift tax return should be filed not only to memorialize the gift but to begin the three-year statute of limitations. Once the statute of limitations expires, the amount of the gift as reported on the return may not be adjusted for purposes of determining future gift and estate tax liability.

The advantages of the Family Limited Partnership as an estate planning technique are as follows:

1. It allows the client to transfer out of his estate substantial amount of assets without losing control.

2. The clients as General Partners control the Partnership; no Limited Partners may sell their interest without the General Partners' approval. In the alternative, the Family Limited Partnership Agreement could provide the General Partners or other Limited Partners to have a right-of-first refusal of any Limited Partner's sale of his interest.

3. Additional assets may be assigned to the Partnership or new Partnerships created.

4. Due to IRS Revenue Ruling 93-12, 1993-7 I.R.B. 13, when making gifts of Limited Partnership interest, such gifts may be discounted (e.g., due to a lack of marketability and a gift of a minority interest). Discounts can range from 10% to 50% or even higher, depending on the Family Limited Partnership asset and the current circumstances. For example, a 25% discount means that one can gift $18,666 worth of Limited Partnership interest each year and this gift would qualify for the annual exclusion.

The disadvantages of a Family Limited Partnership are as follows:

1. The Limited Partnership gifts that the client makes are irrevocable, and the client should be aware that they may never get the asset back into their ownership.

2. In the event of the liquidation of the Partnership, the Limited Partners would be entitled to their interest in the Partnership.

3. In the event the Partnership sold its assets and then reinvested but created an income tax liability, each of the Limited Partners (*i.e.*, usually children) would have to pay their proportionate share of the tax. However, the Partnership could distribute enough to each Partner to cover their respective income tax liability.

4. The Partnerships would have to maintain a separate set of books and checking account and also file an annual income tax return, both State and Federal.

OTHER ESTATE PLANNING DOCUMENTS

Estate planning encompasses more than simply preparing a Will for the client. The attorney should advise the client of various other documents which are integral aspects of a final estate plan. A power of attorney and a living will assist with the estate plan prior to the client's death and a letter of instruction is valuable immediately after the client's death.

Power of Attorney

In establishing an estate plan for a client, the attorney should suggest that a general power of attorney be prepared on the client's behalf. This document will save the client and the client's family time in the event the client is unavailable or unable to act and may avoid the necessity of guardianship proceedings.

The designation of a power of attorney requires a written instrument whereby the principal appoints an agent, also known as an "attorney-in-fact," and authorizes the agent to perform certain specified acts on the principal's behalf. The authorization may be general or limited in nature. The agent is called the "attorney-in-fact" and his or her power is revoked on the death of the principal by operation of law.

A power of attorney may be "springing" or "durable." A springing power of attorney permits the attorney-in-fact to act in the event of the disability of the principal. In the alternative, a durable power of attorney becomes effective the moment the principal signs the power of attorney documents and remains effective in the event the principal becomes disables.

There is also a distinction between "special" and "general" powers of attorney. A special power of attorney is executed by the principal designating the attorney-in-fact to act for one specific transaction. For

example, the principal is buying a home and cannot attend the closing. In this case the principal would sign a special or limited power of attorney so the attorney-in-fact can attend the closing in the principal's absence. In contrast, the general power of attorney is significantly broader in scope. It appoints an attorney-in-fact authorizing him or her to carry out any and all acts that the principal could have performed, *i.e.*, banking, litigation, buying and selling real estate, stock transactions, making gifts, loans, filing tax returns, *etc.*

If the power of attorney is used for banking purposes, it should make specific reference to N.J.S.A. 46:2B-10 et seq., which authorizes the use of powers of attorney for banking purposes. Also, if the principal intends for his or her agent to be able to make gifts on behalf of the principal, a power to gift should specifically be included in the document, along with any limitations on said gifts.

Effective December 8, 2000, New Jersey enacted the Revised Durable Power of Attorney Act, N.J.S.A. 46:23-8-1 et seq. Some noteworthy revisions include the principal or court's ability to compensate the attorney-in-fact for acting under the power of attorney. A principal can direct compensation be paid to the attorney-in-fact in the power of attorney document or in a separate written agreement. In the absence of any such direction, a court may award reasonable compensation to the attorney-in-fact if application is made for same.

The Act also states that the attorney-in-fact has a fiduciary responsibility to the principal and must maintain books and records for all transactions. Another important aspect of the revised Act is the definition of "disability" for both the principal and the attorney-in-fact, as well as a statement that the Durable Power of Attorney may not be affected by the lapse of time of disability or incapacity of the principal, unless the power of attorney states otherwise.

The Living Will

The attorney preparing an estate plan should insure that the client is aware of his or her right to make a living will. A living will is, in essence, a set of directions instructing others as to medical treatment in the event the declarant is incapable of communicating his or her own wishes or decisions.

The New Jersey Advance Directives for Health Care Act, N.J.S.A. 26:2H-57 et seq., effective January 7, 1992, recognizes the constitutional fundamental right of competent adults to control decisions regarding their own healthcare. The Act further stipulates that because event may occur in which an adult loses his or her decision-making capabilities regarding his or her own healthcare, such adults may plan ahead for healthcare decisions by means of advance directives.

The Act provides for three different kinds of advance directives: proxy directives, instructive directives and combined directives.

Proxy Directive

The first type of directive appoints a healthcare representative. This type of directive is also referred to as a healthcare proxy or a durable power of attorney for health care. If the client elects to execute a proxy directive, or a combined directive, he or she appoints a healthcare representative who will have the legal authority to make healthcare decisions on the client's behalf in the event the advance directive becomes operative. The representative must abide by the terms (if any) of the advance directive. For instance, if the document is a combined directive, the directive will contain instructions regarding healthcare and, in addition, will designate a healthcare representative. The representative must follow the instructions in good faith. The healthcare representative exercises the same rights the client would have had the client been capable of such decisions regarding his or her healthcare. Thus, the healthcare representative will be

informed of the client's medical condition, prognosis, and options for treatment. The representative then has the right to give or refuse informed consent to treatment decisions.

In preparing a proxy directive, the attorney should emphasize to the client the need for choosing a healthcare representative who knows the client very well. The representative should be familiar with the client's feelings about the various medical treatment options and the conditions under which the client would choose to accept or refuse any or all treatment. The representative must understand that it is his or her duty to implement the client's wishes, regardless of whether the representative agrees with those wishes.

Instruction Directive

The second type of advance directive is an instruction directive, also referred to as a living will, which expressly describes in advance what medical treatment the client wishes to accept or refuse and under what circumstances such wishes should be carried out.

If the client prepared an instruction directive but did not designate a healthcare representative, the terms of the directive will be honored by the healthcare professional. If no specific term of the directive applies to the decision at hand, the healthcare professional and the family will use reasonable judgment to carry out the client's wishes.

When drafting an instruction directive, the attorney should include more than just general language indicating the client's desire to terminate life-sustaining procedures which serve only to prolong the dying process. Specifics regarding the unacceptable level of impaired functioning and forms of acceptable medical treatment should be included to maximize the effectiveness of the advance directive in aiding the surrogate decision-maker to determine the client's actual wishes.

Two specific life-sustaining measures should be explicitly addressed in the advance directive. The first measure is artificially provided fluids and nutrition (food and water). The client's wishes regarding this measure should be explicitly indicated so as to avoid any uncertainty or disagreements. Similarly, the consent to or refusal of cardiopulmonary resuscitation (CPR) should also be explicitly stated.

When drafting an advance directive, some other optional clauses should be considered. A temporary suspension of the refusal of life-sustaining measures may be desired to cover the possibility that the patient is pregnant at the time the advance directive becomes operative. To avoid uncertainty, a clause should be included indicating consent or refusal of treatment in such a situation.

Additionally, a religious exemption to the modern neurological criteria for declaring death should be included, if applicable. This exemption is recognized by the New Jersey Declaration of Death Act which established a statutory basis for declaring death on the grounds of neurological criteria (total and irreversible loss of all functions of the entire brain, despite the possible fact that circulatory and respiratory functions can be maintained by artificial means). When utilized, the exemption permits the client, whose personal religious beliefs would be violated by the neurological criteria standard of declaring death, to use the traditional cardio-respiratory standard. To insure the preferred standard is used, a clause should be included in the advance directive.

Combined Directive

The third type of advance directive, a combined directive, is a combination of the proxy directive and the instruction directive. Generally, an attorney should recommend that the client execute this type of directive. The combined directive gives specific instructions and appoints someone close to the client to make further decisions, this type of directive will ensure that the client's wishes are understood and fulfilled.

Required Formalities

The Advance Directives for Health Care Act dictates the formalities necessary for the legal execution of advanced directives. To prepare an advance directive, the client must be at least eighteen years old and of sound mind. The advance directive must be in writing and must be signed and dated in the presence of two adult witnesses (neither of whom may be the client's designated healthcare proxy). These witnesses must also affirm in writing that the client is of sound mind and free from duress and undue influence. As an alternative to the requirement of two witnesses, the advance directive may be signed in the presence of a Notary Public or attorney.

Once the client executes an advance directive, he or she should give a copy to the healthcare representative (if one has been appointed), family members, close friends, and his or her physician. Any healthcare institution to which the client is admitted should also be given a copy of the directive.

The formalities required to execute an advance directive must be followed for the client to reaffirm and/or change the advance directive. However, to revoke an advance directive, the client need only notify, either orally or in writing, the healthcare representative or any other reliable witness. Furthermore, any act indicating the client's intent to revoke also will suffice.

Requirements of Operation

The Act specifies that an advance directive, after being legally executed, becomes operative when it is given to the physician or health care institution *and* the client lacks the requisite decision-making capacity. If the patient regains the ability to make decisions, the advance directive will no longer be operative and the patient may resume making his or her own decisions.

Decision-making capacity is defined as a patient's ability to comprehend the potential risks and benefits of medical treatment options as well as the ability to make an informed decision (whether consent or refusal). Determining whether a patient has the requisite decision-making capacity requires consideration of the particular health care question. An inability to make one decision does not necessarily mean a lack of decision-making capacity to make a different healthcare decision.

Generally, the attending physician is responsible for determining lack of capacity. Unless the patient's lack of decision-making capacity is clear, a physician's determination of lack of capacity shall be confirmed by another physician. If the primary physician has any doubts about the patient's ability to make the decision as a result of mental or psychological impairment, a physician with training and experience in these fields will be consulted.

Circumstances Where Instructions Will Be Honored

While a constitutional fundamental right of competent adults to make decisions regarding their own healthcare exists, this right is not absolute. If the patient decides that life-sustaining treatment should be withheld or withdrawn, the situation must fall into one of the following circumstances: (1) The treatment is experimental, unlikely to be effective, or merely prolongs the dying process; (2) The patient is permanently unconscious; (3) The patient is in a terminal condition; (4) The patient has a serious and irreversible illness or condition and the likely risks and burdens of treatment may reasonably be judged to outweigh the likely benefit; (5) The imposition of treatment on an unwilling patient would be inhumane.

Role of Health Care Institution

The New Jersey Advance Directives for Health Care Act requires that healthcare institutions provide information concerning advance directives to interested patients, families, and healthcare representatives, as well as assist patients in executing advance directives.

In addition, the facility must maintain, in writing, policies and procedures regarding advance directives and inform its patients of these policies. The facility is also required to document in the patient's medical record whether the patient has an advance directive.

Healthcare institutions must insure compliance with the State law regarding advance directives. Furthermore, the institutions must educate their staffs on issues related to advance directives. Institutions and professionals are prohibited from conditioning healthcare or discriminating in any way based upon whether an individual has an advance directive.

The Act permits healthcare professionals to decline to participate in following an advance directive on the basis of the professional's moral or religious convictions. In this situation, however, the professional must transfer care of the patient in a timely fashion to assure that the patient's wishes are not abandoned.

Similarly, private, religious-affiliated institutions have the right to adopt policies defining situations in which the institution will decline to participate in advance directives. These policies must be in writing and communicated to the interested parties in a timely manner. As in the situation where the healthcare professional chooses not to participate due to personal convictions, the institution must transfer care in a timely manner to assure the patient's documented wishes are fulfilled.

Healthcare professionals, institutions, and representatives, acting in good faith in accordance with the requirements of the law, are immune from legal liability regarding the implementation of advance directives.

The attorney preparing an advance directive should remind the client of his or her right to make a gift of all or part of his or her body, as dictated by the New Jersey Uniform Anatomical Gift Act, N.J.S.A. 26:6-57 *et seq.*

Patient's Self-Determining Act

The Patient Self-Determination Act, 42 U.S.C.A. 1395cc(a)(1) mandates that all Medicare and Medicaid provider organizations provide written information to patients upon admission regarding the patient's rights under State law to make various healthcare decisions, including the right to execute an advance directive, and how these rights may be implemented.

CHAPTER III

DRAFTING DOCUMENTS

DRAFTING THE WILL

All too often, laymen and attorneys demean a Will by calling it a simple Will. The so-called simple Will is better described as an uncomplicated Will or Outright Distribution Will. The attorney must emphasize to the client that a Will has real significance. The fact that it may call for an outright distribution does not lessen its significance. The Outright Distribution Will is the least complicated of estate plans, the bottom rung on the ladder of estate planning.

In preparing Wills, the great temptation to go to a form book and use that form which most closely resembles the client's set of facts must be avoided at all costs. If an attorney is going to be drafting Wills as a regular part of his or her practice, the attorney should develop his or her own form book over a period of time. Assuming that has been done, the preparation of Wills and/or trust agreements, regardless of their simplicity or complexity, can be *aided* through the use of forms insofar as the construction of the Will or trust agreement. The attorney, after reviewing the facts and considering the client's objectives, may check off those clauses which are to be included in the Will, being careful to draft original clauses where necessary. At the point where the Executor, Trustee and Guardian are to be named, the attorney indicates the names of the respective fiduciaries in the appropriate place. The Will or trust agreement may now be prepared simply by selecting the appropriate clauses from the attorney's book.

Below is an explanation of clauses in an Outright Distribution Will. You will also find sample Will clauses in Appendix B in this text.

CLAUSES

Testator Clause/Exordium Clause

A Will, like anything else, must have a definite pattern. It begins by identifying the Testator and indicating the Testator's address in order to establish his domicile. The Will's validity, however, is not affected by a change in the Testator's domicile. However, if a client moves to another State after the execution of his Will in New Jersey, an attorney in that State should review the Will to make sure it complies with the laws of the client's new residence.

This first clause usually also declares the instrument as the Testator's last Will, revoking any and all previous Wills and/or Codicils. Various ways of revoking a Will exist, perhaps the most clear cut being the Will's destruction by tearing or burning. A statement in the exordium clause as to the revocation of previous Wills, however, resolves all doubt.

Payment of Debts Clause

The next paragraph in a Will usually directs the payment of debts, funeral expenses, and the costs of administering the estate. Funeral expenses include the costs of a headstone, a cemetery lot, perpetual care of the lot and the cost of transporting the decedent's body to another State for burial.

The general payment of debts clause, normally does not provide for paying-off the entire balance of a real estate mortgage. The obligation to pay any mortgage generally falls on the person to whom the real estate has been devised, *i.e.*, the beneficiary of the real estate takes the property subject to secured debts. Furthermore, whether the mortgage should be paid immediately will depend on a variety of factors which can only be determined at the time of the Testator's death.

For example: A Testator dies leaving a home encumbered by a mortgage bearing an interest rate of 7% and a remaining balance of $30,000. It would not make sense for his widow to immediately pay-off the

mortgage if she had the opportunity to invest the $30,000 in certificates of deposit or money market funds paying an interest rate of substantially more than 7%.

Often times the Testator wants to include elaborate instructions regarding funeral arrangements in this section of the Will. The debts clause is the wrong place for such instructions since the Will may not be found or reviewed until after interment, thereby making it difficult or impossible to carry out the decedent's intentions, especially if one of those intentions was cremation. The attorney should advise the Testator that directions regarding burial are best listed in a letter of instruction addressed to the family.

Payment of Taxes Clause

One of the main functions of this clause is to set forth a source of funds for the payment of whatever death taxes are due and owing by reason of specific and general bequests and devises, residuary bequests, life insurance, jointly owned property, *inter vivos* trusts, taxable *inter vivos* transfers and property passing under a power of appointment.

The source of funds for the payment of taxes will depend on the size of the estate, the impact of the Federal Estate tax, New Jersey Estate tax, New Jersey Inheritance Tax and the Testator's objective. If the objective is to give the surviving spouse a marital deduction, a specific provision should be included in the Will directing that all taxes be paid out of the property passing to the beneficiaries, other than the surviving spouse, as opposed to the property passing to the surviving spouse. If the Will does not contain a tax payment clause, state law will govern the allocation of the estate tax burden, except in certain circumstances where federal law would prevail.

Examples:

"All expenses and claims and all estate, inheritance, and death taxes, excluding any generation-skipping transfer tax, resulting from my death and which are incurred as a result of property passing through my probate estate shall be paid without apportionment and without reimbursement from any person. However, expenses and claims, and all estate, inheritance, and death taxes assessed with regard to property passing outside of my probate estate, but included in my gross estate for federal estate tax purposes, shall be chargeable against the persons receiving such property."

"All expenses and claims and all estate, inheritance, and death taxes, excluding any generation-skipping transfer tax, resulting from my death shall be paid without apportionment and without reimbursement from any person."

Disposition of Tangible Personal Property Clause

The next few sections of most Wills are referred to as the dispositive provisions. The first section disposes of tangible personal property. Tangible personal property includes clothing, jewelry, household goods, personal effects, automobiles, books, *etc.* The tangible personal property clause names the beneficiaries of the property and then provides for alternative dispositions in the event the primary beneficiaries do not survive the Testator. A clause of this general nature is employed unless the Testator has items of special value, from either a monetary or sentimental standpoint, and wishes that a particular individual receives one or more of those items.

It is wise to always include a specific disposition of "tangible personal property," even though the Wills and Probate Reform Act defines "estate" as including both real and personal property. Without a

specific disposition clause, the Executor may be required to spend a substantial amount of time selling items of personal property at nominal value.

The tangible personal property clause also directs whether gifts of tangible personal property should be delivered to the beneficiaries at the expense of the estate or at the expense of the beneficiary. A clause directing who is to bear the costs of storing and transporting the property clears up any misunderstanding that might otherwise arise during the administration of the estate.

The problem of establishing ownership of household effects between husband and wife is an age-old one. An effective method of establishing ownership does not exist because legal papers transferring title between a husband and wife normally are not used. One method of establishing ownership which has been suggested is to include in the Will a clause which confirms that the household effects are owned by one of the spouses. These clauses typically disclaim ownership of all of the household effects, thereby confirming complete ownership by the other spouse. Some attorneys will have both spouses include this clause in their Wills, although the validity of such a technique is questionable.

The usual tangible personal property clause reads something like the following:

> "I give all my tangible personal property to my wife, Marianna, including all clothing, jewelry, household effects and personal effects. If she does not survive me, I leave the above-described property to my children who survive me, to be divided equally among them. I further direct that any expenses incurred in either the safekeeping or delivery of the above-described assets are to be paid out of my estate as an expense of general administration."

Another helpful provision to consider would be to add that the division of the tangible personal property shall be determined by the beneficiaries, except that a minor shall be represented by an appointee of the Executor. In addition, if there is no agreement among the beneficiaries, the division shall be made solely by the Executor whose decision shall be final. This is an attempt to avoid prolonged arguments over the division of the tangible personal property.

Memorandum Clause

An alternative to including a tangible personal property clause similar to the above clause is to include in the Will a reference to a memorandum disposing of personal property. Prior to the New Jersey Wills and Probate Reform Act, effective September 1, 1978, the incorporation-by- reference doctrine did not exist. Hence, no legal effect was given to a statement in a Will that personal property was to be distributed in accordance with a separate letter or document. With the adoption of the Wills and Probate Reform Act, it is legal to provide that a document other than the Will shall direct the distribution of one's assets. N.J.S.A. 3B:3-10 and 3B:3-11.

A memorandum can be very beneficial in that it may be modified or destroyed at any time without having to draft a new Will. To be admissible, the memorandum should be written in the Testator's own hand or signed by him and must describe the items of personalty and the beneficiaries of same with reasonable certainty. The memorandum should be kept with his Last Will and Testament. The memorandum is incorporated into the Will by reference. The following is an example of a typical Memorandum Clause:

> "I give all my tangible personal property wherever located, together with any insurance policies related thereto, to my spouse, Jane Doe. If my spouse, Jane Doe, shall not survive me, all of my said personal property together with any insurance policies relating thereto,

> shall be distributed in accordance with a memorandum which will be found with my original Will. Any items not specifically mentioned in the memorandum, or, if no memorandum is found, said items shall be distributed to my children, in equal shares; the share of any child who does not survive me is to be distributed to his or her children."

Bequest Clause

Following the disposition of tangible personal property, the Will usually deals with bequests. The words "bequeath" and "bequest" refer to the transfer of personal property in a Will as compared to the word "devise" which refers to the transfer of real property. This distinction was eliminated by N.J.S.A. 3B:1-1, which defines "devise" as a testamentary disposition of either real or personal property. Prior to the effective date of N.J.S.A. 3B:1-1, the use of the word "bequest" rather than "devise" to describe a transfer of real property would be effective if the Will, read in light of the surrounding circumstances, established that the wrong word was used.

The purpose of the bequest clause is to make special distributions of cash or other assets to persons or institutions. A cash gift, without naming a specific source, is considered a general bequest while a gift of specific assets, or cash from a specific source, is a specific bequest. When the Testator makes a gift of specific property, the Will should describe all items as specifically and accurately as possible.

> Example: Describe stock bequests in detail. Be specific with phrases such as "if owned by me at death" and "all shares including stock splits and stock dividends," and "stock of said corporation or of its successor (whether by change of name, consolidation or merger)."

This clause also attempts to cover the ademption or lapse of any bequest. Simply stated, ademption occurs when a specific item is left to someone in a Will but the Testator sells, loses, gives away or destroys the article before he or she dies.

> For example, a Will states: "I give and devise any car which I own at my death to my son, John." If no car is owned by the Testator the bequest is said to have been adeemed and John will receive nothing." Usually the problem is avoided by adding a clause after any specific bequest such as the following: "If owned by me at the time of my death."

The word "lapse" is used to describe the situation when the Testator leaves something specific to someone, but the recipient fails to survive the Testator and the property automatically becomes part of the Testator's residuary estate. New Jersey, however, has enacted an anti-lapse statute providing that, in some situations, an heir of the deceased legatee is to receive the bequest, unless an alternate disposition is made. N.J.S.A. 3B:3-35. The attorney drafting a Will should always provide for a contingent beneficiary to prevent the anti-lapse statute from taking effect and disposing of property in a manner inconsistent with the Testator's desires. The contingent beneficiary may be another individual or the residuary estate.

Charitable Bequests Clause

Many times, a Will at this point will also provide for charitable bequests. In making these bequests, the correct name and address of the charity must be included in the Will to avoid confusion and possible misdirection of the charitable gift. A charitable bequest may be given to the charity without specifying any particular use within the charity or may be given with the direction that the gift be used for a specific purpose. If the gift is to be used for a specific purpose, the attorney should inquire of the charity as to the exact language required to meet the Testator's objective.

In order to insure the deductibility of the charitable bequest for estate tax purposes, the attorney should check the Internal Revenue Code to confirm that the organization receiving the gift qualifies under

I.R.C. 501(c). The attorney also should be careful when drafting a Will to qualify any charitable trusts under the Charitable Annuity Trust and Unit Trust provisions of I.R.C. 664.

A Testator may wish to include in this clause provisions for the perpetual care of a cemetery plot or for the saying of masses or other forms of worship. With respect to both these objectives, the attorney should review the requirements of the particular cemetery and the religious order before making provisions in the Will.

Distribution of Real Property Clause

The next order of business is for the Will to provide for the distribution of real property. As in the case of personal property, the Will must clearly identify the real property with respect to its location and exact address. The Will also must be specific in describing the beneficiaries who are to receive the real property. The following is a sample of a typical clause:

> "I give and devise my real estate located at 3 Belmont Road, Nicetown, Wonderful County, New Jersey, also known as Lot 3 in Block 29 of Nicetown Township to my nephew, Charles Nelson Reilly."

Note that the description of the real property includes the street address, town, county and state. In some situations, a lot and block description or a metes and bounds description may be necessary to accurately describe the property. The relationship between the testator and beneficiary is also described. A devise to two or more people creates a tenancy-in-common, not a joint tenancy.

Residuary Clause

With the disposition of all real and personal property in the estate, the final step is to cover any lapsed legacies (resulting from the death of the primary beneficiary) or personal property and real estate not already specifically distributed. This disposition is handled by the residuary clause, which usually takes the following form:

> "All the rest, residue, and remainder of my estate, both real property and personal property, and any property over which I may have a previously unexercised power of appointment, I give, devise and bequeath to ...."

This catch-all clause insures that no property will remain in the estate which has not been effectively distributed by Will.

In the event a Will is being prepared for a husband or wife with minor children, provision should be made for a contingent trust. This contingent trust, generally, arises only if both the husband and wife are killed in a common disaster or if they both pass away before the children attain the age of majority. The 120 hour survival rule in N.J.S.A. 3B:6-6 eliminates difficult questions of proof raised by simultaneous death and common disasters. When the contingent trust provision in a Will becomes effective, the Trustee will manage the property until the youngest child reaches the age of majority. In most circumstances, the Trustee pays the trust income to the children's Guardian named in the Will, and can invade the trust principal for any emergency or extraordinary expenses incurred by the minor children, including the "health, support, maintenance and education" of the children. Education may include college and/or professional schools.

The trust terminates when the youngest child reaches the age of majority, or as otherwise provided in the Will. Distribution of the trust principal will be made outright when the trust terminates. Another

alternative is a staggered distribution of the trust principal. For example, the trust terms may provide that the beneficiaries of the trust are to receive one-third of the principal at the age of 21, one-half of the balance at the age of 25, with final distribution at the age of 30.

Total Disaster Clause

In the event the Testator is not survived by his spouse, children and grandchildren, he may want to make his intentions regarding an alternate distribution plan clear in a total disaster clause. In the event there is no "Total Disaster Clause," his estate will be distributed by the laws of intestacy. This clause will give the Testator the ability to benefit family members of his choice or perhaps benefit a charity (*i.e.*, his alma mater, church or non-profit organization).

Fiduciaries

After disposition of the residuary estate, the next paragraph usually names the fiduciaries under the Will: Executor, Trustee and Guardian. This paragraph may contain a provision whereby all fiduciaries named in the Will are to serve without bond. In the absence of such a provision, the Surrogate's Court may require the fiduciary to post bond prior to qualifying for the position.

The Executor and Trustee named in the Will should be qualified for the positions. These fiduciaries usually are clothed with certain powers to deal with the decedent's estate, or the trust established by the Will. Although the Executor's and Trustee's powers are defined in N.J.S.A. 3B:14-23, many attorneys prefer to set out at length the broad powers under which the Executor or Trustee may function to avoid uncertainty in the event the statute is revised. If the Executor or Trustee is to have any special powers, such as the power to continue a business, these powers should be included specifically in the Will. A sample powers clause for both an Executor and Trustee follows.

Powers Clause

In addition to the powers conferred by law, my Executor and Trustee shall have the following additional powers:

(a) To make, without prior court order, any division or distribution of my estate required by this Will or by any trust created herein, in money, in kind, or partly in money and partly in kind, and to that end to allot specific securities or other property, or any undivided interest therein, to any person, share or part, although it may differ in kind from securities or property allotted to any other person, share or part;

(b) To retain, transfer, sell, convey, exchange, partition, lease, mortgage, pledge, give options upon, or otherwise dispose of all or any portion of my estate, real or personal, at public or private sale or otherwise, for such price or prices, on such terms, for cash or other consideration, or on credit, with or without security, to such person or persons, firm or firms, corporation or corporations, and at such time or times as they may deem to be to the best interests of my estate and the trusts created herein;

(c) To determine whether and to what extent receipts should be deemed income or principal, whether and to what extent expenditures should be charged against income or principal, and what other adjustment should be made between income and principal, and their decision on these matters shall be final and conclusive upon all parties;

(d) To retain all or any part of my estate or any trust created herein in the form in which such property may be at the time of my death, or at the time of its receipt by my Trustee from my Executor;

(e) To pay, extend, renew, modify, settle, adjust, or compromise, upon such terms as they may determine, and upon such evidence as they may deem sufficient, any obligation, or claim, including taxes, either in favor of or against my estate or any trust created herein;

(f) To join in, become a party to, oppose, or otherwise participate in, any protective plan or agreement of reorganization, consolidation, merger, or other capital readjustment, or dissolution of any corporation, the stocks, bonds, or other securities of which may at any time constitute a part of my estate or any trust created herein, to the same extent and as fully as though they were the absolute and individual owners of such stocks, bonds, or other securities, and, without limiting the generality of the foregoing, to deposit with any committee or depository, pursuant to such plan or agreement, any stocks, bonds, or other securities which may at any time constitute a part of my estate or any trust created herein, to make payment of any charges or assessments imposed by the terms of any such plan or agreement, to exercise rights to subscribe to new securities and pay any sums that may be required thereby, and to receive and continue to hold any property allotted to my Executor or Trustee by reason of their participation therein.

(g) In case a specific bequest, income or any discretionary payments of principal becomes payable to a minor or to a person under legal disability or to a person not adjudicated incompetent, but who, by reason of illness or mental or physical disability, is in the opinion of the Executor or Trustee unable properly to administer such amounts, then such amounts shall be paid out by the Executor or Trustee in such of the following ways as it deems best: (a) directly to such beneficiary; (b) to the legally appointed guardian or conservator of such beneficiary; (c) to some relative or friend for the care, support and education of such beneficiary; (d) by the Executor or Trustee, using such amounts directly for such beneficiary's care, support and education; (e) to a person designated by the Executor or Trustee as Custodian for the person under age twenty-one (21) pursuant to the New Jersey Uniform Gifts to Minors Act, as though the Executor or Trustee were a donor making a gift under the Act pursuant to its terms.

The receipt of the person or persons to whom any such payment or distribution is so made shall be sufficient discharge therefor.

(h) To take any action with respect to conserving or realizing upon the value of any property, and with respect to foreclosures, reorganizations or other changes affecting the trust property; to collect, pay, contest, compromise or abandon demands of or against the trust estate, wherever situated; and to execute contracts, notes, conveyances and other instruments, including instruments containing covenants and warranties binding upon and creating a charge against my estate, and containing provisions excluding personal liability.

(i) To retain any property or undivided interests in property received from any other source, including residential property, regardless of any lack of diversification, risk or non-productivity.

(j) To make loans or terms satisfactory to my Executor or Trustee for any purpose consistent with the orderly administration of my estate.

(k) To operate, maintain, repair, rehabilitate, alter, improve or remove any improvements on real estate; to make leases and subleases for terms of any length, even though the terms may extend beyond the termination of the trust; to subdivide real estate; to grant easements, give consents and make contracts relating to real estate or its use; to release or dedicate any interest in real estate.

(l) To borrow money for any purpose, either from a banking department of an Executor or Trustee, or from others, and to mortgage or pledge any property.

(m) To employ attorneys, auditors, depositories, proxies and agents with or without discretionary powers; and to keep any property in the name of a trustee or a nominee, with or without disclosure of any fiduciary relationship, or in bearer form.

(n) To make such elections under tax laws as such Executor deems advisable.

(o) To allocate my generation skipping tax exemption in such manner as my Executor determines. My Trustee may divide any trust into separate fractional share trusts, one to have an inclusion ratio of one for generation skipping tax purposes and the other to have an inclusion ratio of zero. However, no power to expend principal of an exempt trust for a beneficiary who is a "non-skip person" as defined in Section 2613(b) of the Internal Revenue Code may be exercised by the Trustee so long as there is any principal held in a non-exempt trust and in which the Trustee has a similar power to expend principal for such beneficiary.

Such allocations shall be made without regard to the relative interests of the beneficiaries. No adjustments shall be made between principal and income, or in the interests of the beneficiaries, to compensate for the effects of such allocation. Any decision made by my Executor with respect to the foregoing shall be binding and conclusive on all persons and not subject to questions by any beneficiary or court, and my Executor shall have no liability as a result of any such decision.

(p) Among the circumstances that the fiduciary shall consider in investing and managing trust assets are those of the following as are relevant to the trust and its beneficiaries:

(1) general economic conditions;

(2) the possible effect of inflation or deflation;

(3) the expected tax consequences of investment decisions or strategies;

(4) the role that each investment or course of action plans within the overall trust portfolio;

(5) the expected total return from income and the appreciation of capital;

(6) other resources of the beneficiaries;

(7) the need for liquidity, for regularity of income, and for preservation or appreciation of capital; and

(8) an asset's special relationship or special value, if any, to the purposes of the trust or to one or more of the beneficiaries as, for example, an interest in a closely-held enterprise, tangible and intangible personalty, or real estate.

Please note that paragraph (p) is a recitation of the Prudent Investor Act, N.J.S.A. 3B:20-11.3(d).

Testimonium Clause

There now remains the concluding portion of the Will -- the testimonium. This clause establishes that the Testator signed the Will with full knowledge of its importance and its contents and ends showing the date and place of execution. In New Jersey two witnesses must also sign the Will at the time the Will is executed by the Testator.

One form of a testimonium clause is as follows:

IN WITNESS WHEREOF, I subscribe my name, this ___ day of _____ Two Thousand and Thirteen, at Princeton, New Jersey

_____(L.S.)

The foregoing instrument, consisting of this and ten preceding typewritten pages, was signed, sealed, published and declared by the above-named Testator as and for his Last Will and Testament, in the presence of each of us, all being present at the same time, and we, at his request and in his presence and the presence of each other have hereunto subscribed our names as witnesses, this ____day of _____, Two Thousand and Thirteen.

_____residing at _____

_____

_____residing at _____

_____

SELF-PROVING WILLS

The Affidavit of Execution is necessary to make the Will self-proving. By allowing self-proved Wills, the New Jersey Wills and Probate Reform Act eliminated the problems of finding a witness who has moved and of proving the signature of a deceased witness. The provisions regarding self-proved Wills, N.J.S.A. 3B:3-4 and 3B:3-5, provide that an attested Will may, at the time of its execution or at any time subsequent to its execution, be made self-proved.

In order to satisfy the requirements for a self-proved Will, the Will first must be executed in compliance with the formalities contained in N.J.S.A. 3B:3-2. N.J.S.A. 3B:3-4 and 3B:3-6 then require acknowledgement by the testator and affidavits of the witnesses, each made before an officer authorized by N.J.S.A. 46:14-6, 46:14-7 or 46:14-8. The Affidavit of Execution is attached to the Will and eliminates the need to present any witnesses to the Will in the Surrogate's Court. Unless Wills are updated by this Affidavit of Execution, the Will will be probated under the law as it existed prior to September 1, 1978.

It is important to note that the statute does not require the officer's authorization by certificate under official seal, thereby enabling an attorney to self-prove a Will without the necessity of a notary.

ACKNOWLEDGMENT AND AFFIDAVIT RELATING TO EXECUTION OF WILL

STATE OF NEW JERSEY:
: SS.
COUNTY OF SOMERSET:

We, the testator and the witnesses, respectively, whose names are signed to the attached instrument, being first duly sworn, do hereby declare to the undersigned authority that the testator signed and executed the instrument as his Last Will and that he had signed willingly and that he executed it as his free and voluntary act for the purposes expressed and that each witness states that he or she signed the Will as

witness in the presence and hearing of the testator, and that to the best of his or her knowledge the testator was at the time eighteen or more years of age, of sound mind and under no constraint or undue influence.

_____
John Doe, Testator

_____
Witness

_____
Witness

Subscribed, sworn to and acknowledged before me by, John Doe, the testator, and subscribed and sworn to before me by ____(witness #1)___ and ____(witness#2)___ witnesses, this ____ day of _____, Two Thousand and Thirteen.

_____
Lisa M. Butler
An Attorney at Law of the
State of New Jersey

CHAPTER IV
EXECUTION AND FINAL MEETING

EXECUTION OF THE WILL

The final meeting is when the client executes the Will. The attorney should follow the same procedure every time and indicate the seriousness of the execution. Avoid mailing the Will to the client and having him or her execute and witness it without the attorney's supervision. Only execute one original Will. If more than one Will is executed and the Testator later decides to revoke this Will, one of the ways to revoke the Will is to physically destroy the Will. However, what if all the originals cannot be found for destruction at the time the newer Will executed? Later, at the time of the Testator's death it is possible that more than one original Will be presented for probate which will bring to issue the Testator's intent. In an effort to prevent an otherwise revoked Will being presented for probate, it is recommended that only one original Will be signed.

The attorney would be wise in preparing a memorandum detailing the events of the execution of each Will. In the event that it becomes necessary for the attorney to testify regarding the formalities of the Will and its execution in a Will contest, the memorandum will enable the attorney to testify accurately.

The attorney should also have disinterested witnesses who will later be available to attest to the details of the signing of the Will in the event of a will contest.

RETENTION OF THE WILL

With respect to the retention of the original Will, it is wise to advise the client to keep it in a fireproof place, *i.e.*, either a safe deposit box, fireproof box in their home, or some attorney's offer safekeeping in a fireproof filing cabinet in their offices. In any event, in addition to the original Will, the client should be given a conformed copy of the Will. While the conformed copy has no legal effect as the names of the Testator and witnesses have been printed or typed in, it does give the client easy access to review the contents of the Will document if the original is kept at a bank or attorney's office. Safe deposit boxes are no longer inventoried by the State of New Jersey and, therefore, are not "frozen." Thus the contents of the safe deposit box are easily accessible after someone passes away as long as the client knows where the key is located! However, even without a key a safe deposit box can be drilled open by the bank for a fee.

CONTINUING RESPONSIBILITY TO THE CLIENT

Although the initial estate plan is completed and the Will and trust documents are executed, it is advisable that the attorney's responsibility not end. The attorney has a responsibility to periodically contact the clients to determine whether there are any changes in their personal lives or economic situations which may affect the provisions of the Will. The attorney also has a continuing responsibility to advise the client of substantial changes in the law which may affect his or her estate plan. For instance, it would have been appropriate to send a letter to clients advising of the Economic Growth and Tax Relief Reconciliation Act of June 2001.

REVIEWING THE WILL

Naturally, the frequency with which a Will is reviewed depends on the complexity and susceptibility to change of the estate plan. A recommendation that a Will be reviewed at least every two years would not be inappropriate with the following considerations in mind: (1) changes in personal circumstances; (2) changes in economic conditions; and (3) changes in the tax laws, both Federal and State.

The client should be advised to consider whether he or she still owns any articles of property which he or she specifically bequeathed under his Will and whether there have been any changes in the family with

regard to marriages and divorces or the birth of children which would substantially effect the various provisions of the Will. The provision naming the Executor and Trustee is also important and should be reviewed.

LETTER OF INSTRUCTION

The attorney should point out to the client that in addition to the Will, another helpful, but less formal, document is the Letter of Instruction. The Letter's purpose is to provide the Executor of the estate and the beneficiaries with additional and more personal information regarding the Testator's estate. It may be drafted by the client or by the client's attorney. The Letter usually includes the following information:

1. A statement as to the location of the Will.

2. Burial instructions, name of a cemetery and location of a plot, and information regarding the location of the cemetery plot deed. If the Testator's desire is to be cremated, instructions as to the care and placement or disbursement of the ashes are included. If the client is a veteran he may wish to take advantage of the opportunity to be buried in a national cemetery.

3. A list, including the address of all the people who should be notified of the client's death and the relationship of these people to the client. This will also be helpful in probating the Will because the Court will usually require a listing of all immediate family members.

4. The location of all important legal documents, including social security and Medicare cards, automobile title papers, real property deeds, armed services discharge papers, marriage and/or divorce papers, copies of separation or settlement agreements, birth certificate or baptismal certificate and any other papers of a legal nature.

5. Whether the client is a member of any society or lodge which has as part of its membership some death benefit or insurance coverage at the death of a member, and any information regarding the procedure for collecting this benefit and the location of the certificate of insurance.

6. The location and listing of all life insurance policies, including the name of the company, policy number, beneficiary designation and the amount of coverage. This list should also include any casualty and homeowner's insurance policies and their location on which the client has been paying the premiums but are insuring other members of the family.

7. The name of the bank and account number of all savings and checking accounts in the client's name individually or in his name with another jointly. The location of all check books, passbook accounts or certificates of deposit should be included.

8. A list of all U.S. Savings Bonds, in whose name the bonds are registered, and their denominations and serial numbers.

9. A list of all stocks and bonds and their locations.

10. The location of any safe deposit box or boxes, in whose name the boxes are registered and the location of the key or keys.

11. A listing of any pension or profit sharing plans of which the client is a participant including the location of any explanatory booklets.

12. Location of recent income tax returns, both State and Federal.

13. A statement regarding the disposition of any tangible personal property having sentimental value and an explanation of the reasons for any unusual distributions made under the Will.

14. Armed Service information.

Sample Letter of Instruction

An example of a Letter of Instruction including some of the foregoing information is as follows:

To My Executor and Beneficiaries:

The following are items of a personal nature which I would ask my Executor in the administration of my estate to carry out.

It is my wish and desire that my body be cremated and my ashes cast upon the sea. I wish no funeral service of any kind to be conducted and no monies expended for any memorial or gravestone.

With respect to my personal effects, I wish them to be distributed among my children as they may agree. To the extent that they cannot reach agreement, I direct my Executor to dispose of them at public sale and add the proceeds to my residuary estate.

All my important papers will be found in my safe deposit box 4922 at the Meadville Branch of the Prudent Trust Company. The key to this box is located in the top middle drawer of my desk in my bedroom at home. The safe deposit box contains all my insurance policies, a list of which is as follows:

Metropolitan Life Ins. Co., Pol. #12451 $10,000

Home Life Ins. Co., Pol #1377 $50,000

Prudential Life Ins. Co., Pol. #27592 $30,000

The box also contains my service discharge papers and my Last Will and Testament, information on my social security benefits, and a list of my stock holdings. My savings account passbooks will be found in the lower right hand drawer of my desk in a small green strong box.

I have made only a nominal bequest under my Will for my son, John, because he has been very successful financially and it was my judgment that my other children were in greater need financially of the proceeds of my estate. I hope that you, John, will understand that my love and affection for you is as great as for your brothers and sisters.

Sincerely,

The foregoing letter of instruction is merely a sample. The exact contents of such a letter will depend upon the client's objectives and requirements. In any event, a letter of this type can be of significant value to the attorney for the estate, Executor and beneficiaries.

SAMPLE CODICILS

I, MARY ROE, of the Town of West Orange, in the County of Essex and State of New Jersey, still being of sound and disposing mind, memory and understanding, do make, publish and declare this as and for a Codicil to my Last Will and Testament dated the 22nd day of March, Two Thousand One (2001).

FIRST: I hereby revoke and annul the legacy of Five Thousand Dollars ($5,000.00) bequeathed to JOHN DOE under paragraph FIFTH, section (c), of my said Last Will and Testament.

SECOND: In all other respects I ratify and affirm my said Last Will and Testament dated the 22nd day of March, Two Thousand One (2001).

IN WITNESS WHEREOF, I have hereunto set my hand and seal this ____ day of _____, Two Thousand Thirteen (2013).

_____(LS.)

The foregoing Codicil to the Will of MARY ROE was signed, sealed, published and declared by the said MARY ROE as and for a Codicil to her said Last Will and Testament dated March 22, 2001, in the presence of us, who were present at the same time and who, thereupon, at her request, in her presence and in the presence of each other, have hereunto subscribed our names as witnesses.

_____ residing at _____

_____ residing at _____

_____ residing at _____

****

I, MARY ROE, of the Town of Montclair, in the County of Essex and State of New Jersey, being of sound and disposing mind, memory and understanding, do make, publish and declare this as and for a third Codicil to my Last Will and Testament dated the 31st day of March, Nineteen Hundred and Seventy-Seven (1977), as amended by Codicils thereto dated the 17th day of June, Nineteen Hundred and Seventy-Eight (1978) and the 22nd day of January, Nineteen Hundred and Seventy-Nine (1979).

FIRST: I hereby revoke and annul the legacy of Five Thousand Dollars ($5,000.00) bequeathed to John Doe under paragraph FIFTH, section (c), of my said Last Will and Testament.

SECOND: In all other respects I ratify and affirm my Last Will and Testament dated the 31st day of March, Nineteen Hundred and Seventy-Seven (1977), as amended by Codicils thereto dated the 17th day of June, Nineteen Hundred and Seventy-Eight (1978) and the 22nd day of January, Nineteen Hundred and Seventy-Nine (1979).

IN WITNESS WHEREOF, I have hereunto set my hand and seal this ____ day of _____, Two Thousand Thirteen (2013).

_____(LS.)

The foregoing Codicil to the Will of MARY ROE, consisting of two (2) typewritten pages, including this page was signed, sealed, published and declared by the said MARY ROE as and for a third Codicil to her said Last Will and Testament dated March 31, 1977, as amended by Codicils thereto dated June 17, 1978 and January 22, 1979, in the presence of us, who were present at the same time and who, thereupon, at her request, in her presence and in the presence of each other have hereunto subscribed our names as witnesses.

_____ residing at _____

_____ residing at _____

_____ residing at _____

APPENDIX A

FINANCIAL PLANNING WORKFORM

Principal_____ Age_____

Address_____
Telephone_____

Spouse_____ Age_____
Address_____

Family (include children and grandchildren)
Name_____ Age_____

Address_____

Name_____ Age_____

Address_____

Name_____ Age_____

Address_____

Name_____ Age_____

Address_____

Name_____ Age_____

Address_____

Name_____ Age_____

Address_____

Parents
Name_____ Age_____

Address_____

Name_____ Age_____

Address_____

Brothers, Sisters and other Dependents

Name_____ Age_____

Address_____

Name_____ Age_____

Address_____

Insurance Counsellor

Name_____

Address_____

Tax Advisor

Name_____

Address_____

PROPERTY LIST

Real Estate

	Residence	Business Property	Summer	Rental
Market Value	$ _____	$ _____	$ _____	$____
Mortgage	$ _____	$ _____	$ _____	$____
Equity	$ _____	$ _____	$ _____	$____
Owner (Indiv. or Joint)	$ _____	$ _____	$ _____	$____

Total Equity $_____

Investments

	Stocks	Mutual Funds	Bonds	Loans
Market Value	$ _____	$ _____	$ _____	$____
Mortgage	$ _____	$ _____	$ _____	$____
Equity	$ _____	$ _____	$ _____	$____
Owner (Indiv. or Joint)	$ _____	$ _____	$ _____	$____

Total $_____

Business Interests

	Close Corporation	Partnership	Proprietorship
Total Market Value	$ _____	$ _____	$_____
Percentage of Interest	_____	_____	_____
Value of Interest	$ _____	$_____	$_____
Total	$_____		

Life Insurance and Employee Benefits

	Face Value	Beneficiary	Owner (Indiv. or Joint)
Group Insurance	$ _____	_____	_____
Personal Insurance	$ _____	_____	_____
Fraternal Assoc. Ins.	$ _____	_____	_____
Profit Sharing	$ _____	_____	_____
Pension Benefits	$ _____	_____	_____
Stock Options	$ _____	_____	_____
Total	$_____		

Miscellaneous

	Market Value	Owner (Indiv. or Joint)
Savings Accounts	$_____	_____
	$_____	_____
Cash (checking acct., etc)	$_____	_____
Works of Art/Jewelry	$_____	_____
Furniture	$_____	_____
Automobiles	$_____	_____
Personal Effects	$_____	_____
Total	$_____	
GRAND TOTAL	$_____	

STOCKS

Name	No. of Shares	Approximate Market Value	Cost Basis

MUTUAL FUNDS

Name	No. of Shares	Approximate Market Value	Cost Basis

BONDS

Name	No. of Units	Approximate Market Value	Cost Basis

LIFE INSURANCE

Name of Company	Face Value	Cash Surrender Value
_____	_____	_____
_____	_____	_____
_____	_____	_____

CONSIDERATIONS WHEN MAKING OR REVISING A WILL

1. Inventory your property.
2. Any items (*e.g.*, antiques, *etc.*) that you might want to specifically devise.
3. Other specific bequests to relatives, friends and charities.
4. Executor/Trustee
   - A. Individual (relative, *etc.*)
     - Does he live nearby?
     - How reliable is he?
     - Is he willing?
   - B. Institution
     - How large is the estate?
     - What is the bank's policy?
     - What are the fees for serving in this capacity?
   - C. Attorney
   - D. Contingent Executors
5. Advising Executor/Trustee about your property, *etc.* -- Letter to Executor/Trustee
6. Testamentary Guardians and Trustees for Children; Not always same person. Consider relationship between children and guardian.
7. Distribution to Children
   - A. Is 18 old enough?
   - B. Physically or mentally disabled adults
   - C. Spendthrift Trust
8. Tax Consequences of gifts to non-lineal beneficiaries
9. Joint Ownership vs. individual ownership
   - A. Between spouses
   - B. Between other joint owners
10. Need for a Power of Attorney/Living Will
11. Review Will
    - A. Every two years
    - B. Change in marital status
    - C. Death or disability of Executor/Trustee or Contingent Executor/Trustee
    - D. Birth of Children
    - E. Death of a beneficiary
    - F. Change in financial status
    - G. Death of witnesses (if not self-proving will)
12. Codicils -- Pros and Cons
13. Are there any existing trusts in which the client is either a beneficiary or Trustee and are these trusts revocable or irrevocable?
14. Is the client a U.S. citizen?

NEW JERSEY TRANSFER INHERITANCE TAX RATES

A SURVIVING SPOUSE IS ENTIRELY EXEMPT
EFFECTIVE IN ESTATES OF DECEDENTS DYING ON OR AFTER JANUARY 1, 1985

REMAINING CLASS "A" TRANSFEREES ARE ENTIRELY EXEMPT
EFFECTIVE IN ESTATES OF DECEDENTS DYING ON OR AFTER JULY 1, 1988

		Rates applicable to class A transferees in estates of decedents dying prior to dates indicated above				
		7-1-87 thru 6-30-88	7-1-86 thru 6-30-87	7-1-85 thru 6-30-86	7-1-78 thru 6-30-85	3-29-62 thru 6-30-78
First	$ 5,000	Exempt	Exempt	Exempt	Exempt	Exempt
Next	10,000	Exempt	Exempt	Exempt	Exempt	1%
Next	35,000	Exempt	Exempt	Exempt	2%	2%
Next	50,000	Exempt	Exempt	3%	3%	3%
Next	50,000	Exempt	Exempt	4%	4%	4%
Next	50,000	Exempt	5%	5%	5%	5%
Next	50,000	Exempt	6%	6%	6%	6%
Next	50,000	6%	6%	6%	6%	6%
Next	200,000	7%	7%	7%	7%	7%
Next	200,000	8%	8%	8%	8%	8%
Next	200,000	9%	9%	9E/o	9%	9%
Next	200,000	10%	10%	10%	10%	10%
Next	300,000	11%	11%	11%	11%	11%
Next	300,000	12%	12%	12%	12%	12%
Next	500,000	13%	13%	13%	13%	13%
Next	500,000	14%	14%	14%	14%	14%
Next	500,000	15%	15%	15%	15%	15%
Over	3,200,000	16%	16%	16%	16%	16%

CLASS "C" TRANSFEREES

		On or after 7-1-88	3-29-62 thru 6-30-88 If less than $500: no tax - If $500 or more: no exemption
First	$ 25,000	Exempt	11%
Next	1,075,000	11%	11%
Next	300,000	13%	13%
Next	300,000	14%	14%
Next	1,700,000	16%	16%

CLASS "D" TRANSFEREES
On or after 3-29-62

If less than $500: no tax If more than $500: no exemption		
First	$700,000	15%
Over	$700,000	16%

LETTER OF INSTRUCTION TO HEIRS

Name_____

Residence _____ City_____

County _____ State _____

Birthdate _____ Birthplace _____

Occupation_____ Social Security #_____

Employer_____

Address_____

Spouse _____ Birthplace _____

Father_____ Birthplace _____

Mother _____ Birthplace _____

Dates_____

If ever in Armed Services, Service Serial #_____

Dates_____

I have executed a will. It is dated _____ and can be found at:

_____

My executor is_____

My banks are_____

_____

_____

_____

Safety Deposit Box #_____

in_____ bank, to which the

key can be found at_____ .

Valuables not found in box will be found

_____

_____

I have the following outstanding loans_____

_____

_____

I have the following insurance policies:

Company	Policy #	Type	Amount
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

My stockbroker is_____

Address_____

I keep stock in my name or in street name_____

Funeral: I have made funeral arrangements with _____

Address_____

I would prefer service at (house of worship)_____

Home _____ Clergy _____

I prefer earth burial _____ Cremation _____

My cemetery plot is located at (Address)_____

The plot certificate can be found_____

The following persons should be notified_____

_____ _____

_____ _____

_____ _____

_____ _____

_____ _____

_____ _____

_____ _____

_____ _____

Special Instructions_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

I have (have not) made arrangements for the donation of my Eyes_____

Kidneys _____ Other _____

_____

Forms are kept at_____

This form should be duplicated when completed and copies given to relatives, friends, clergy, and funeral director. Do not put in safe deposit box as it may come to attention only after funeral.

N.J.S.A. 3B:4-1 through 3B:4-6 TESTAMENTARY ADDITION TO TRUSTS

3B:4-1. Short title

This chapter shall be known and may be cited as the "New Jersey Testamentary Additions to Trusts Law."
L.1981, c. 405, § 3B:4-1, eff. May 1, 1982.

3B:4-2. Devise to trustee of trust created other than by testator's will

A devise may be made by a will to the trustee or trustees of a trust established by a testator, or by a testator and some other person or persons, to by some other person or persons, if the trust is identified in the testator's will, and its terms are set forth in a written instrument, other than a will, executed before or concurrently with the execution of the testator's will, or in the valid last will and testament of a person who has predeceased the testator. A devise so made should be valid and enforceable to the same extent as if the trust had been created by the testator by his will, and as if the terms of the trust, as contained in the will or other instrument creating or evidencing it, had been set out in full in the will of the testator. The existence, size or character of the trust property shall not affect the validity of the devise, nor shall any devise be invalid because the trust is a funded or unfunded life insurance trust, although the creator of the trust has reserved any or all rights of ownership of the insurance contracts.
L. 1981, c. 405, § 3B:4-2, eff. May 1, 1982.

3B:4-3. Devise not invalidated because trust is amendable or revocable

A devise made as provided in N.J.S. 3B:4-2 shall not be invalid because the trust is amendable or revocable, or both, or because the trust was amended after the execution of the will or after the death of the testator.
L.1981, c. 405, § 3B:4-3, eff. May 1, 1982.

3B:4-4. Administration of trust

Unless the testator's will provides otherwise, the property devised as provided in N.J.S. 3B:4-2 shall not be deemed to be held under a testamentary trust of the testator but shall become a part of the trust to which it is given and shall be administered and disposed of in accordance with the provisions of the will or other instrument setting forth the terms of the trust, including any amendments thereto made before the death of the testator, whether made before or after the execution of the testator's will, and, if the testator's will so provides, including any amendments of the trust made after the death of the testator.
L.1981, c. 405, § 3B:4-4, eff. May 1, 1982.

3B:4-5. Lapse of devise

A revocation or termination of the trust before the death of the testator shall cause the devise to lapse.
L.1981, c. 405, § 3B:4-5, eff. May 1, 1982.

3B:4-6. Chapter not to be construed as exclusive method for making devises to trustees

This chapter shall not be construed as providing an exclusive method for making devises to trustees of trusts created otherwise than by the will of the testator making the devise.
L.1981, c. 405, § 3B:4-6, eff. May 1, 1982.

N.J.S.A. 3B:6-1 through 3B:6-7 UNIFORM SIMULTANEOUS DEATH LAW

3B:6-1. Short title

This chapter shall be known and may be cited as the "Uniform Simultaneous Death Law."
L.1981, c. 405, § 3B:6-1, eff. May 1, 1982.

3B:6-2. Disposition of property of persons dying simultaneously

Where the title to property or the devolution thereof depends upon priority of death and there is no sufficient evidence that the persons have died otherwise than simultaneously, the property of each person shall be disposed of as if he had survived, except as provided otherwise in this chapter.
L. 1981, c. 405, § 3B:6-2, eff. May 1, 1982.

3B:6-3. Division of property, two or more beneficiaries

Where two or more beneficiaries are designated to take successively by reason of survivorship under another person's disposition of property and there is no sufficient evidence that these beneficiaries have died otherwise than simultaneously, the property thus disposed of shall be divided into as many equal portions as there are successive beneficiaries and these portions shall be distributed respectively to those who would have taken in the event that each designated beneficiary had survived.
L.1981, c. 405, § 3B:6-3, eff. May 1, 1982.

3B:6-4. Division of property, joint tenants or tenants by the entirety

Where there is no sufficient evidence that two joint tenants or tenants by the entirety have died otherwise than simultaneously, the property so held shall be distributed one-half as if one had survived and one-half as if the other had survived. If there are more than two joint tenants and all of them have so died, the property thus distributed shall be in the proportion that one bears to the whole number of joint tenants.
L.1981, c. 405, § 3B:6-4, eff. May 1, 1982.

3B:6-5. Distribution of proceeds of life or accident policies

Where the insured and the beneficiary in a policy of life or accident insurance have died and there is no sufficient evidence that they have died otherwise than simultaneously, the proceeds of the policy shall be distributed as if the insured had survived the beneficiary.
L.1981, c. 405, § 3B:6-5, eff. May 1, 1982.

3B:6-6. Chapter not to apply to certain cases

This chapter shall not apply to a devolution of property of a decedent under a will or upon intestacy, where the law provides that in order to take on the devolution, a person shall survive the decedent by 120 hours, living trusts, deeds, or contracts of insurance, wherein provision has been made for distribution of property different from the provisions of this chapter.
L.1981, c. 405, § 3B:6-6, eff. May 1, 1982.

3B:6-7. Construction and interpretation

This chapter shall be so construed and interpreted as to effectuate its general purpose to make uniform the law in those states which enact it.
L.1981, c. 405, § 3B:6-7, eff. May 1, 1982.

N.J.S.A. 3B:14-23 POWER OF FIDUCIARIES

3B:14-23. Powers

In the absence of contrary or limiting provisions in the judgment or order appointing a fiduciary, in the will, deed or other instrument or in a subsequent court judgment or order, every fiduciary shall, in the exercise of good faith and reasonable discretion, have the power:

a. To accept additions to any estate or trust from sources other than the estate of the decedent, minor, mental incompetent or the settlor of a trust;

b. To acquire the remaining undivided interest in an estate or trust asset in which the fiduciary, in his fiduciary capacity, holds an undivided interest;

c. To invest and reinvest assets of the estate or trust under the provisions of the will, deed or other instrument or as otherwise provided by law and to exchange assets for investments and other property upon terms as may seem advisable to the fiduciary;

d. To effect and keep in force fire, rent, title, liability, casualty or other insurance to protect the property of the estate or trust and to protect the fiduciary;

e. With respect to any property or any interest therein owned by an estate or trust, including any real property belonging to the fiduciary's decedent at death, except where the property or any interest therein is specifically disposed of:

(1) To take possession of and manage the property and to collect the rents therefrom, and pay taxes, mortgage interest and other charges against the property;

(2) To sell the property at public or private sale, and on terms as in the opinion of the fiduciary shall be most advantageous to those interested therein;

(3) With respect to fiduciaries other than a trustee, to lease the property for a term not exceeding 3 years, and in the case of a trustee to lease the property for a term not exceeding 10 years, even though the term extends beyond the duration of the trust, and in either case including the right to explore for and remove mineral or other natural resources and in connection with mineral leases to enter into pooling and unitization agreements;

(4) To mortgage the property;

(5) To grant easements to adjoining owners and utilities;

(6) A fiduciary under a will may exercise any of the powers granted by this subsection e. notwithstanding the effects upon the will of the birth of a child after its execution;

f. To make repairs to the property of the estate or trust for the purpose of preserving the property or rendering it rentable or saleable;

g. To grant options for the sale of any property of the estate or trust for a period not exceeding six months;

h. With respect to any mortgage held by the estate or trust to continue it upon and after maturity, with or without renewal or extension, upon terms as may seem advisable to the fiduciary and to foreclose, as an incident to collection of any bond or note, any mortgage and purchase the mortgaged property or acquire the property by deed from the mortgagor in lieu of foreclosure;

i. In the case of the survivor or survivors of two or more fiduciaries to administer the estate or trust without the appointment of a successor to the fiduciary or fiduciaries who have ceased to act and to exercise or perform all of the powers given unless contrary to the express provision of the will, deed or other instrument;

j. As a new, alternate, successor, substitute or additional fiduciary or fiduciaries, to have or succeed to all of the powers, duties and discretion of the original fiduciary or fiduciaries, with respect to the estate or trust, as were given to the original fiduciary or fiduciaries named in or appointed by a will, deed or other instrument, unless the exercise of the powers, duties or discretion of the original fiduciary or fiduciaries is expressly prohibited by the will, deed or other instrument to any successor or substitute fiduciary or fiduciaries;

k. Where there are three or more fiduciaries qualified to act, to take any action with respect to the estate or trust which a majority of the fiduciaries shall determine; a fiduciary who fails to act through

absence or disability, or a dissenting fiduciary who joins in carrying out the decision of a majority of the fiduciaries if his dissent is expressed promptly in writing to his cofiduciaries, shall not be liable for the consequences of any majority decision, provided that liability for failure to join in administering the trust or to prevent a breach of trust may not thus be avoided;

l. To employ and compensate attorneys for services rendered to the estate or trust or to a fiduciary in the performance of his duties;

m. To compromise, contest or otherwise settle any claim in favor of the estate, trust or fiduciary or in favor of third persons and against the estate, trust or fiduciary, including transfer inheritance, estate, income and other taxes;

n. To vote in person or by proxy, discretionary or otherwise, shares of stock or other securities held by the estate or trust;

o. To pay calls, assessments and any other sums chargeable or accruing against or on account of shares of stock, bonds, debentures or other corporate securities in the hands of a fiduciary, whenever the payments may be legally enforceable against the fiduciary or any property of the estate or trust or the fiduciary deems payment expedient and for the best interests of the estate or trust;

p. To sell or exercise stock subscriptions or conversion rights, participate in foreclosures, reorganizations, consolidations, mergers or liquidations, and to consent to corporate sales or leases and encumbrances, and, in the exercise of those powers, the fiduciary is authorized to deposit stocks, bonds or other securities with any custodian, agent, protective or other similar committee, or trustee under a voting trust agreement, under terms and conditions respecting the deposit thereof as the fiduciary may approve;

q. To execute and deliver agreements, assignments, bills of sale, contracts, deeds, notes, receipts and any other instrument necessary or appropriate for the administration of the estate or trust;

r. In the case of a trustee:

(1) to hold two or more trusts or parts of trusts created by the same instrument, as an undivided whole, without separation as between the trusts or parts of the trusts, provided that separate trusts or parts of trusts shall have undivided interests and provided further that no holding shall defer the vesting of any estate in possession or otherwise;

(2) To divide a trust, before or after its initial funding, into two or more separate trusts, provided that such division will not materially impair the accomplishment of the trust purposes or the interests of any beneficiary. Distributions provided for by the governing instrument may be made from one or more of the separate trusts;

s. To distribute in kind any property of the estate or trust as provided in article 1 of chapter 23 of this title;

t. To join with the surviving spouse, the executor of his or her will or the administrator of his or her estate in the execution and filing of a joint income tax return for any period prior to the death of a decedent for which he has not filed a return or a gift tax return on gifts made by the decedent's surviving spouse, and to consent to treat the gifts as being made one-half by the decedent, for any period prior to a decedent's death, and to pay taxes thereon as are chargeable to the decedent;

u. To acquire or dispose of an asset, including real or personal property in this or another State, for cash or on credit, at public or private sale, and to manage, develop, improve, exchange, partition, change the character of, or abandon an estate asset;

v. To continue any business constituting the whole or any part of the estate for so long a period of time as the fiduciary may deem advisable and advantageous for the estate and persons interested therein;

w. In the case of a qualified bank as defined in section 1 of P.L.1948, c. 67 (C. 17:9A-1), to purchase, sell and maintain for any fiduciary account, securities issued by an investment company which is operated and maintained in accordance with the "Investment Company Act of 1940" 15 U.S.C. 80a-1 *et seq.*, and for which the qualified bank is providing services as an investment advisor, investment manager, custodian or otherwise, including those for which it receives compensation if:

(1) the investment is otherwise in accordance with applicable fiduciary standards;

(2) the investment is authorized by the agreement or instrument creating the fiduciary account that gives the qualified bank investment authority, or by court order; or

(3) the qualified bank provides written notice not less than annually by prospectus, account statement or otherwise, disclosing to any current income beneficiaries of the trust the services provided by the qualified bank or its affiliate to the investment company, and the rate, formula, or other method by which compensation paid to the qualified bank or its affiliate is determined and the qualified bank does not receive a written objection from any current income beneficiary within 30 days after receipt of this notice. If a written objection is received from any current income beneficiary pursuant to this paragraph (3), no such investment of the trust assets of the fiduciary account shall be made or maintained.

Such investment shall not be deemed a self-dealing or a fiduciary conflict; nor shall the fact that other beneficiaries of fiduciary accounts of the qualified bank have similar investments be deemed to be an improper commingling of assets by the qualified bank.

For purposes of this subsection, "fiduciary account" shall include a trust, estate, agency or other account in which funds, property, or both, are held by a qualified bank pursuant to section 28 of P.L.1948, c. 67 (C. 17:9A-28), or an account for which a qualified bank acts as investment advisor or manager and

x. The powers set forth in this section are in addition to any other powers granted by law, and by a will, deed or other instrument.

Amended by L.1991, c. 503, § 2, eff. Jan. 18, 1992; L.1993, c. 360, § 1, eff. Dec. 30, 1993; L.1997, c.250, § 1, eff. Sept. 9, 1997.

APPENDIX B

OUTRIGHT DISTRIBUTION WILL FORM WITH TRUST FOR CHILDREN

LAST WILL AND TESTAMENT

I, [JOHN DOE], now residing in the Township of _____, County of _____, and State of New Jersey, do make, publish and declare the following as and for my Last Will and Testament, hereby revoking all Wills, Codicils and other testamentary writings heretofore made by me.

FIRST: I direct that all expenses incurred for my support or in my behalf, including funeral expenses, expenses of any illness, and all the expenses of administering my estate be paid as soon after my death as may be convenient for my Executor hereinafter named.

SECOND: I direct that there shall be paid out of my residuary estate all estate, inheritance, succession and other taxes (together with any interest or penalty thereon), assessed by reason of my death, in respect of all property required to be included in my gross estate for estate or like tax purposes, whether the property passes under this Will or otherwise, including property over which I have a power of appointment, without contribution by any recipient of any such property.

THIRD: I give all my tangible personal property wherever located, together with any insurance policies related thereto, to my spouse, _____. If my spouse, _____, shall not survive me, all of my said personal property together with any insurance policies relating thereto, shall be distributed in accordance with a memorandum which will be found with my original Will. If no memorandum is found or there are any items not specifically mentioned in the memorandum such personal property shall be distributed to my children, in equal shares; the share of any child who does not survive me is to be distributed equally to his or her children, if any or if none, equally to my surviving children.

The division of the tangible personal property, not specifically disposed of by memorandum, shall be determined by the beneficiaries, except that a minor shall be represented by an appointee of my Executor. If there is no agreement among the beneficiaries, the division shall be made solely by my Executor whose decision shall be final. Any reasonable distribution expenses incurred with respect to my tangible personal property, including but not limited to packing, shipping, storage and insurance expenses, shall be paid by my Executor as an administration expense of my estate.

OPTION -- (FOR ALL WILLS WITH MINOR CHILDREN)

If any beneficiary named in this Article THIRD shall be under the age of eighteen (18) years, I direct my Executor, hereinafter named, to deliver his or her share of said tangible personal property to the person standing in loco parentis to said beneficiary and to accept the receipt of said person standing in loco parentis to said beneficiary as full and sufficient discharge and receipt for the property.

OPTION -- (MEMO FIRST -- THEN SPOUSE -- THEN CHILDREN)

All my tangible personal property wherever located, together with any insurance policies related thereto, shall be distributed in accordance with a memorandum which will be found with my original Will. If no memorandum is found or there are any items not specifically mentioned in the memorandum such personal property shall be distributed to my spouse, _____. If my spouse, _____, shall not survive me, all of my said personal property together with any insurance policies relating thereto, shall be distributed to my children, in equal shares; the share of any child who does not survive me is to be distributed equally to his or her children.

OPTION -- (NO MEMO)

I give all my tangible personal property wherever located, together with any insurance policies relating thereto, to my spouse, _____. If my spouse, _____, shall not survive me, I give all of my said personal property together with any insurance policies relating thereto, to my children, in equal shares; the share of any child who does not survive me is to be distributed equally to his or her children, if any and if none, equally to my surviving children.

FOURTH: All the rest of my estate, both real and personal, and wherever located, of which I may die seized or possessed, I give and appoint to my spouse, _____, if she survives me.

FIFTH: If my said spouse, _____, fails to survive me, I give all of my estate, in equal shares, to such child or children of mine, now living or hereafter born, as shall survive me, and to the then living issue of any deceased child of mine, such issue to take per stirpes and not per capita, the share which its or their parent or parents would have taken if then living; provided, however, that if any such beneficiary mentioned in this Article shall be under the age of thirty (30) years at the time of my death, I give such beneficiary's share to my Trustee to hold in a separate Trust for the following uses and purposes:

To retain and hold each separate trust estate and to invest and reinvest the same, and to collect the income thereon and to dispose of the principal thereof and the income thereon as follows:

To pay to the parent, legal guardian of, or person standing in loco parentis to, such beneficiary for, or apply directly to, the support, education, including post-graduate courses, and maintenance of such beneficiary such amounts of income and principal, or both, as said Trustee, in his absolute discretion may from time to time deem advisable, and the Trustee's determination as to the advisability of making such provision shall be conclusive and binding upon all persons interested in such share, and the receipt of the person or persons to whom any such payment or distribution is so made shall be sufficient discharge therefor.

OPTION -- (POWER OF APPOINTMENT)

My Trustee is hereby given the power to appoint the entire principal of each trust, together with all accrued, accumulated and undistributed net income, free from the terms hereof, in favor of the beneficiary of such trust, in whatever amounts the Trustee may decide, at any time during the Trustee's life.

To the extent that my Trustee shall fail to exercise such power of appointment during his lifetime, the trust estate shall be distributed as follows:

When a child of mine shall reach the age of twenty-two (22) years, or if such child has then reached such age, the Trustee shall distribute to such child one-third of the principal of his or her share then held hereunder, together with any accumulated income thereon, and when such child shall thereafter reach the age of twenty-five (25) years, or if such child has then reached such age, the Trustee shall distribute to such child one-half the balance of the principal of his or her share then held hereunder, together with any accumulated income thereon, and when such child shall thereafter reach the age of thirty (30) years, or if such child has then reached such age, the Trustee shall distribute to such child the balance of principal of his or her share then held hereunder, together with any accumulated income thereon.

In the event of the death of a child of mine prior to complete distribution of the share set aside for him or her, such share, or the remainder thereof, shall be distributed per stirpes to his or her then living issue, if any or if none, then per stirpes to my then living issue. The share thus accruing to any child of mine

for whom at that time the Trustee holds a separate trust hereunder shall be added to such trust and thereafter held as though originally forming a part thereof.

Each share so provided for the living issue of a deceased child of mine shall be distributed per stirpes to such issue.

OPTION -- (FOR OUTRIGHT DISTRIBUTION TO CHILDREN)

In the event my spouse, _____, predeceases me, all the rest, residue and remainder of my estate shall be divided into equal separate shares so as to provide one share for each child of mine. In the event any child predeceases me, his or her share shall be distributed per stirpes to his or her issue, if any and if none, equally to my surviving children.

SIXTH: I hereby nominate and appoint _____ Executor of this my Last Will and Testament. In the event _____ does not survive me, or if he fails to qualify as Executor, or having qualified, dies, resigns, or becomes incapacitated, then I nominate and appoint _____ Executor of this my Last Will and Testament. In the event _____ does not survive me, or if he fails to qualify as Executor, or having qualified, dies, resigns, or becomes incapacitated, then I nominate and appoint _____ Executor of this my Last Will and Testament.

I order and direct that no Executor nominated or appointed by me shall be required to furnish any bond, or other security as such, in the State of New Jersey, or elsewhere, or if a bond be required, such Executor shall not be required to furnish any sureties thereon.

SEVENTH: I hereby nominate and appoint _____, Trustee of the trusts created in this my Last Will and Testament. In the event _____ does not survive me, or if he should fail to qualify, or having qualified, dies, resigns, or becomes incapacitated, then I nominate and appoint _____ Trustee in his place and stead.

I order and direct that no Trustee nominated or appointed by me shall be required to furnish any bond or other security as such, in the State of New Jersey, or elsewhere, or if a bond be required, such Trustee shall not be required to furnish any sureties thereon.

EIGHTH: In the event my said spouse, _____, does not survive me, or surviving me is incapable for any reason to act as Guardian of our minor children, I hereby nominate and appoint _____ Guardian of each of my minor children, to have exclusive control of their custody, care and education. In the event _____ does not survive me, or surviving me is incapable for any reason to act as Guardian of my minor children, I hereby nominate and appoint _____ Guardian of each of my minor children, to have exclusive control of their custody, care and education.

I order and direct that no Guardian shall be required to furnish any bond or other security as such, in the State of New Jersey, or elsewhere, or if a bond be required, such Guardian shall not be required to furnish any sureties thereon, while serving as Guardian of my said children.

NINTH: I give and grant to my Executor and Trustee, and to the survivor or successor of them, the following powers, which shall be construed broadly and which may be exercised by them in either or both capacities, as in their discretion they deem advisable, in addition to and not in limitation of their common law and statutory powers:

(a) To make, without prior court order, any division or distribution of my estate required by this Will or by any trust created herein, in money, in kind, or partly in money and partly in kind, and to that

end to allot specific securities or other property, or any undivided interest therein, to any person, share or part, although it may differ in kind from securities or property allotted to any other person, share or part.

(b) To retain, transfer, sell, convey, exchange, partition, lease, mortgage, pledge, give options upon, or otherwise dispose of all or any portion of my estate, real or personal, at public or private sale or otherwise, for such price or prices, on such terms, for cash or other consideration, or on credit, with or without security, to such person or persons, firm or firms, corporation or corporations, and at such time or times as they may deem to be to the best interests of my estate and the trusts created herein.

(c) To determine whether and to what extent receipts should be deemed income or principal, whether and to what extent expenditures should be charged against income or principal, and what other adjustment should be made between income and principal, and their decision on these matters shall be final and conclusive upon all parties.

(d) To retain all or any part of my estate or any trust created herein in the form in which such property may be at the time of my death, or at the time of its receipt by my Trustee from my Executor.

(e) To pay, extend, renew, modify, settle, adjust, or compromise, upon such terms as they may determine, and upon such evidence as they may deem sufficient, any obligation, or claim, including taxes, either in favor of or against my estate or any trust created herein.

(f) To join in, become a party to, oppose, or otherwise participate in, any protective plan or agreement of reorganization, consolidation, merger, or other capital readjustment, or dissolution of any corporation, the stocks, bonds, or other securities of which may at any time constitute a part of my estate or any trust created herein, to the same extent and as fully as though they were the absolute and individual owners of such stocks, bonds, or other securities, and, without limiting the generality of the foregoing, to deposit with any committee or depositary, pursuant to such plan or agreement, any stocks, bonds, or other securities which may at any time constitute a part of my estate or any trust created herein, to make payment of any charges or assessments imposed by the terms of any such plan or agreement, to exercise rights to subscribe to new securities and pay any sums that may be required thereby, and to receive and continue to hold any property allotted to my Executor or Trustee by reason of their participation therein.

(g) In case a specific bequest, income or any discretionary payments of principal becomes payable to a minor or to a person under legal disability or to a person not adjudicated incompetent, but who, by reason of illness or mental or physical disability, is in the opinion of the Executor or Trustee unable properly to administer such amounts, then such amounts shall be paid out by the Executor or Trustee in such of the following ways as it deems best: (a) directly to such beneficiary; (b) to the legally appointed guardian or conservator of such beneficiary; (c) to some relative or friend for the care, support and education of such beneficiary; (d) by the Executor or Trustee, using such amounts directly for such beneficiary's care, support and education; (e) to a person designated by the Executor or Trustee as Custodian for the person under age twenty-one (21) pursuant to the New Jersey Uniform Gifts to Minors Act, as though the Executor or Trustee were a donor making a gift under the Act pursuant to its terms.

The receipt of the person or persons to whom any such payment or distribution is so made shall be sufficient discharge therefor.

(h) To make such elections under tax laws as such Executor deems advisable.

(i) To allocate my generation skipping tax exemption in such manner as my Executor determines. My Trustee may divide any trust into separate fractional share trusts, one to have an inclusion ratio of one for generation skipping tax purposes and the other to have an inclusion ratio of zero. However,

no power to expend principal of an exempt trust for a beneficiary who is a "non-skip person" as defined in Section 2613(b) of the Internal Revenue Code may be exercised by the Trustee so long as there is any principal held in a non-exempt trust and in which the Trustee has a similar power to expend principal for such beneficiary.

Such allocations shall be made without regard to the relative interests of the beneficiaries. No adjustments shall be made between principal and income, or in the interests of the beneficiaries, to compensate for the effects of such allocation. Any decision made by my Executor with respect to the foregoing shall be binding and conclusive on all persons and not subject to questions by any beneficiary or court, and my Executor shall have no liability as a result of any such decision.

TENTH: At the time of the execution of this Will I have _____ children, namely, _____, _____.

OPTION

All references in this my Last Will and Testament to my children are intended to include any additional child or children born to me or adopted by me subsequent to the execution of this Will and if any such child or children or issue thereof shall survive me, then and in such event, such child or children or issue thereof shall have no rights in my estate other than those granted by this my Last Will and Testament.

ELEVENTH: In all references herein to any Spouse, Executor, Trustee or Beneficiary the use of any particular gender or the plural or singular number is intended to include the appropriate gender or number as the text of this my Last Will and Testament may require.

IN WITNESS WHEREOF, I subscribe my name, this ____ day of _____, Two Thousand and Thirteen, at Princeton, New Jersey.

_____(L.S.)
[JOHN DOE]

The foregoing instrument, consisting of this page and _____ preceding typewritten pages, was signed, sealed, published and declared by the above-named Testator (Testatrix) as and for his/her Last Will and Testament, in the presence of each of us, all being present at the same time, and we, at his/her request and in his/her presence and the presence of each other have hereunto subscribed our names as witnesses, this _____ day of_____, Two Thousand and Thirteen.

_____ residing at _____

_____

_____ residing at _____

_____

STATE OF NEW JERSEY:
: SS:
COUNTY OF :

We, JOHN SMITH, the testator and _____ and _____, the witnesses, whose names are signed to the attached or foregoing instrument, being duly sworn, do hereby declare to the undersigned authority that the testator signed and executed the instrument as his Last Will and that he had signed willingly, and that he executed it as his free and voluntary act for the purposes therein expressed; and that each of the witnesses, in the presence and hearing of the testator, signed the Will as witness and that to the best of our knowledge the testator was at that time 18 years of age or older, of sound mind and under no constraint or undue influence.

_____
John Smith

_____
Witness

_____
Witness

Subscribed, sworn to and acknowledged before me by John Smith, the testator and subscribed and sworn to before me by _____ and _____, witnesses, this _____ day of _____, 2013.

_____

OUTRIGHT DISTRIBUTION WILL WITH CONTINGENT TRUST FOR DESCENDANTS UNDER AGE X

LAST WILL AND TESTAMENT

OF

JANE A. DOE

I, JANE A. DOE, residing at 523 Main Street, Mayberry, New Jersey 07123, being of sound mind, memory and understanding, do make, publish and declare the following to be my Last Will and Testament, hereby revoking all Wills and Codicils heretofore made by me:

ARTICLE I

A. I appoint my husband, JOHN M. DOE, as executor of this my Last Will and Testament. If JOHN shall fail to qualify, or having qualified shall cease to serve, as executor, due to his death or any other reason whatsoever, I appoint my sister, ETHEL SMITH, as his successor.

The last serving executor shall have the right, by an instrument in writing or by Last Will and Testament, to appoint any individual(s) and/or trust institution of his or her choice as successor executor(s).

B. I appoint my sister and brother-in-law, ETHEL and FRED SMITH, or the survivor of them, as trustees of the trusts created hereunder.

The last serving trustee of a trust created hereunder shall have the right, by an instrument in writing or by Last Will and Testament, to appoint any individual(s) and/or trust institution of his or her choice as successor trustee(s) of such trust.

C. If my husband, JOHN M. DOE, shall predecease me, and I shall die during the minority of any child or children of mine, I appoint my sister and brother-in-law, ETHEL and FRED SMITH, as guardians of any such child or children during the remainder of their minority. If both ETHEL and FRED shall fail to qualify as guardians, or having qualified shall cease to serve, due to death or any other reason whatsoever, during the minority of any child or children of mine, I appoint my sister-in-law and her husband, LUCY and RICKY JONES, as their successors.

Anything in the foregoing paragraph of this subarticle C to the contrary notwithstanding, (i) if FRED shall not be married to ETHEL at the time when they are to serve as guardians, or shall thereafter cease to be married to her, either through divorce or death, then FRED shall not serve, or shall cease to serve, as a guardian, whichever shall be applicable, and ETHEL, if living, shall serve alone, and (ii) if RICKY shall not be married to LUCY at the time when they are to serve as guardians, or shall thereafter cease to be married to her, either through

* Provided by Shoobe & Bakarich, P.C., Paramus, New Jersey

divorce or death, then RICKY shall not serve, or shall cease to serve, as a guardian, whichever shall be applicable, and LUCY, if living, shall serve alone.

The last serving guardian shall have the right, by an instrument in writing or by Last Will and Testament, to appoint successor guardian(s) of his or her choosing. In making such appointment, such guardian shall give due consideration to my belief that it will be in the best interests of my children for a married couple to serve together as guardians.

D. I direct that no bond or other security shall be required of my executor, trustees or guardians, or any of them, or any successors thereto, in any jurisdiction in which they may be called upon to act.

E. The written instruments referred to in subarticles A, B and C hereof shall be executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey.

Any trust institution being appointed pursuant to subarticle A or B hereof by anyone other than me shall, at the time of appointment, be administering trust assets valued at not less than two hundred fifty million ($250,000,000) dollars.

ARTICLE II

I direct my executor to pay, as soon as convenient after my death, all of my debts, the expenses of my last illness, my funeral and related expenses and the expenses of administering my estate. Notwithstanding the foregoing, my executor shall not pay any debt of mine secured by property owned by me (including a life insurance policy), it being my intention either that said property shall pass subject to such indebtedness or, if the property shall be a life insurance policy, that any such debt shall first be satisfied out of the proceeds of such policy.

ARTICLE III

A. I bequeath all of my personal effects, jewelry and automobiles, and all of my household furnishings, equipment and bric-a-brac, to my husband, JOHN M. DOE, if he shall survive me.

B. It is my intention to prepare a written statement, to be dated and signed by me, disposing of certain of my personal effects, jewelry and other items of tangible personal property, which statement (i) will be effective if my husband, JOHN M. DOE, shall predecease me and (ii) may be revised and/or superseded from time to time. All items listed in the statement last signed by me prior to my death I hereby bequeath to the beneficiaries, as specified therein, who shall survive me.

C. If my husband, JOHN M. DOE, shall predecease me, I bequeath all of my personal effects, jewelry, automobiles, household furnishings, equipment and bric-a-brac not

disposed of pursuant to the written statement referred to in subarticle B hereof to those of my children who shall survive me, in as nearly equal shares as feasible, to be allocated among them as they shall mutually agree, or in the absence of such agreement, as my executor, in his discretion, shall determine, giving due regard to the preferences of such children.

If any such child of mine shall not then be of legal age, my executor shall set aside so much of such child's share of such property as he shall determine I would wish to have preserved for such child, and shall dispose of the balance as he shall deem advisable, adding the proceeds thereof to such child's share of my residuary estate, or, if applicable, to the trust into which such child's share of my residuary estate shall be converted, to be treated as part of the initial principal thereof. The portion of such property so set aside for any minor child may, in the discretion of my executor, be placed in storage until such child shall attain legal age, and/or delivered to his or her legal guardians, and/or preserved for him or her in such other manner as my executor, in his discretion, shall deem advisable.

D. If neither my husband, JOHN M. DOE, nor any of my children, shall survive me, then the bequests in subarticles A and C hereof shall lapse, and the aforesaid property bequeathed thereunder shall be added to my residuary estate and distributed as hereinafter provided.

ARTICLE IV

All of the rest, residue and remainder of my estate, of every nature and description, real, personal and mixed, wheresoever situated, remaining after payment of the debts and expenses specified in Article II hereof (referred to herein as my "residuary estate"), I bequeath as follows:

A. If my husband, JOHN M. DOE, shall survive me, I bequeath my residuary estate to him.

B. If my husband, JOHN M. DOE, shall predecease me, I bequeath my residuary estate to those of my children who shall survive me and to the descendants surviving me of any child of mine who shall predecease me, per stirpes; provided, however, that any sums thus payable to any descendant of mine who shall be under the age of twenty-five (25) years at the time of my death, shall be held by my trustees, hereinabove named, as a separate trust for the benefit of such person, and my trustees shall hold the same; shall manage, administer, invest and reinvest the principal of the trust; shall collect and receive the income thereof; shall pay any and all expenses incident to the operation of such trust; and shall distribute the net income and principal thereof in accordance with the provisions of paragraphs 1 through 4 of this subarticle B.

Any life insurance proceeds, or other death benefits, received by my trustees shall also be paid over and distributed as set forth in this subarticle B, unless otherwise specified in the appropriate beneficiary designation.

1. Until the termination of the trust, my trustees, at any time or times that they shall deem it advisable, may apply for the benefit of the beneficiary, or pay over to him or her, so much, all or none of the net income of the trust, and/or such sum or sums out of the principal of the

trust (including the whole thereof), as my trustees, in their discretion, shall deem reasonably necessary to provide for the beneficiary's health, maintenance, support and education (including undergraduate and postgraduate education). In the case of income, my trustees shall add to the principal of the trust any such net income not so expended in any fiscal year of the trust.

2. Upon the attainment of the age of twenty-five (25) years by the beneficiary of the trust, my trustees shall then pay over and distribute to him or her all of the then remaining principal of the trust (together with all undistributed income), whereupon the trust shall terminate.

3. If the beneficiary of the trust shall die before attaining the age of twenty-five (25) years, then upon his or her death the then remaining principal of the trust (together with all undistributed income) shall be paid over and distributed to his or her then living descendants, per stirpes, and in default of such descendants, the same shall be paid over and distributed to those of the beneficiary's siblings who shall then be living and to the then living descendants of any sibling of the beneficiary who shall then be deceased, per stirpes; and in default of such siblings and descendants of a deceased sibling, to the then living descendants of that child of mine who shall be the ancestor of the beneficiary, per stirpes, and in default of such ancestor's descendants, to those of my children who shall then be living and to the then living descendants of any child of mine who shall then be deceased, per stirpes; provided, however, that: (i) any sums thus payable to any descendant of mine for whose benefit a trust created hereunder shall then still be in existence shall be added to the principal of such trust, and shall be held and distributed as part thereof, and (ii) any sums thus payable to any descendant of mine who shall then be under the age of twenty-five (25) years and for whose benefit there shall not then be in existence a trust created hereunder, shall be held in trust for the benefit of such person in accordance with the provisions of paragraphs 1 through 4 of this subarticle B; and provided, further, that if none of my children, and no descendant of any deceased child of mine, shall then the living, the then remaining principal and undistributed income of the trust shall be paid over and distributed as set forth in subarticle C hereof, as if (i) the same were part of my residuary estate, (ii) my husband, JOHN M. DOE, and all of my descendants had predeceased me and (iii) I had died at the time of the death of the beneficiary of the trust.

C. If neither my husband, JOHN M. DOE, nor any descendant of mine, shall survive me, I bequeath my residuary estate as follows:

1. One-half (½) thereof to those of my nieces and nephews who shall survive me, in equal shares or all to the survivor of them.

2. One-half (½) thereof to those of JOHN's nieces and nephews who shall survive me, in equal shares or all to the survivor of them.

Any life insurance proceeds, or other death benefits, received by my trustees shall also be paid over and distributed as provided in this subarticle C, unless otherwise specified in the appropriate beneficiary designation.

ARTICLE V

Anything in this Will to the contrary notwithstanding:

A. Any trust created hereunder which shall be or become subject to a rule against perpetuities and which, by its terms, shall not have terminated on or before the date which is twenty-one (21) years after the death of the last survivor of myself, my husband, JOHN M. DOE, and those of my descendants who shall survive me, shall nevertheless terminate on such date, and the principal and undistributed income thereof shall thereupon be paid over and distributed free of trust to the then current income beneficiary thereof, or the current income beneficiaries thereof, in equal shares, if more than one.

B. If I and my husband, JOHN M. DOE, , shall die at the same time, within one hundred twenty (120) hours of each other or under such circumstances that the order of our deaths cannot be determined with certainty, then for all purposes of this trust agreement, or otherwise, he shall be deemed to have predeceased me.

C. For all purposes of this Will, except Article III hereof:

1. If any beneficiary hereunder, other than my husband, JOHN M. DOE, shall survive me but shall die within ninety (90) days of my death, such beneficiary shall be deemed to have predeceased me.

2. If any beneficiary hereunder shall survive my husband, JOHN M. DOE, but shall die within ninety (90) days of his death, such beneficiary shall be deemed to have predeceased JOHN.

ARTICLE VI

Whenever, pursuant to the terms of this Will, my trustees are given discretion to pay or to apply income or principal of a trust to or for the benefit of a minor, my trustees may, in their discretion, make such payment or application by expending the same directly for the benefit of such minor, or by paying the amount so to be paid or applied to the parent or legal guardian of such minor, or to the person with whom such minor may reside, or to a person standing in the place of a parent to such minor, or to a Custodian for such minor designated by my trustees under an applicable Uniform Transfers to Minors Act or Uniform Gifts to Minors Act, or directly to such minor, or otherwise, as my trustees may, from time to time deem expedient, and the receipt of such minor or such other payee shall be a full acquittance to my trustees to the extent of such payments.

The provisions of this Article VI shall also apply, to the extent applicable, whenever my trustees are given discretion to pay or apply income or principal of a trust to or for the benefit of a person who, in their judgment, is incapable of adequately managing such income or principal.

ARTICLE VII

A. All transfer taxes payable with respect to property passing under this Will shall be paid out of my residuary estate, without apportionment, except that any transfer tax determined with reference to my relationship to the recipient of the property giving rise to such tax shall be charged to such property or recipient and shall not be paid out of my residuary estate. For purposes of this subarticle A, property received by my trustees other than from my executor shall not be considered to have passed under this Will.

B. It is my intention that all transfer taxes payable with respect to property passing other than under this Will shall be paid by the recipient thereof, and, if paid by my executor, shall be recovered from such recipient if my executor shall deem it reasonably feasible to do so. My executor shall not be liable to my estate or to any person interested therein if my executor shall not deem it reasonably feasible to recover such taxes, and my executor shall have no obligation to pursue recovery under such circumstances. If my executor shall come into possession of any property distributable to a beneficiary from whom my executor shall have a right of recovery pursuant to this subarticle B, my executor may pay, on behalf of the beneficiary, the amount of recoverable taxes and charge the same to such property or sell any part of such property to produce cash to satisfy the recovery right.

If an asset of my estate is valued for transfer tax purposes higher than the amount received by my estate due to the application of Code Section 2703 or otherwise, and if the purchaser or purchasers of such asset, or the owner or owners of the purchaser, receive any bequest under this Will, then to the extent such person or persons are benefitted, directly or indirectly, by the purchase, such benefit shall be deemed to be property passing other than under this Will for purposes of this subarticle B. The same principle shall apply if any gift tax is included in my gross estate pursuant to Code Section 2035(b), with the recipient of the gift being treated as a purchaser.

C. The transfer taxes attributable to the property referred to in subarticle B hereof shall be the amount by which the total of such taxes payable exceeds the total of such taxes which would have been payable had such property not been subject to transfer taxes, the same to be allocated among the various interests in such property pro rata, except that any transfer tax determined with reference to my relationship to the recipient of the property giving rise to such tax shall be charged to such property or recipient and not allocated pro rata as aforesaid.

D. Whenever transfer taxes with respect to property passing under this Will are payable from specified property, or by the recipient thereof, in accordance with the provisions of this Article VII, my executor may withhold distribution of a portion of such property to secure payment thereof, and may make payment on behalf of the recipient or make whatever other arrangements my executor shall deem advisable to assure that the taxes are paid. If the recipient also receives property other than under this Will, the foregoing authority to withhold distribution of property passing under this Will shall extend to the transfer taxes payable with respect to such property passing outside of this Will.

E. When used in this Will, the term "transfer taxes" shall be deemed to include all taxes payable by reason of property passing upon my death, whether labeled estate taxes, inheritance taxes, death taxes, succession taxes, transfer taxes, or otherwise, and whether imposed by the Federal government, any state, city or municipality, or otherwise, including interest and penalties thereon. Such term shall not be deemed to include taxes imposed on generation-skipping transfers pursuant to Code Section 2601 et seq. or any other statute of similar import, whether imposed by the Federal government, any state, city or municipality, or otherwise, which taxes, including interest and penalties thereon, shall be paid as provided in Section 2603 of the Code, or in any other statute of similar import.

F. Nothing contained in this Article VII shall be deemed to be a direction that my estate recover or not recover from the recipient of property included in my gross estate by reason of Section 2044 of the Code the amount specified in Section 2207A of the Code, it being my intention that my executor shall make such decision in accordance with such criteria, as he, in his discretion, shall deem appropriate.

G. A person (the "payor") receiving assets as a result of my death (whether or not received pursuant to this Will) may be obligated to pay a transfer tax (often called, and referred to herein as, an "inheritance tax") and also may be charged with a portion of another transfer tax (often called, and referred to herein as, an "estate tax"). Such inheritance tax payment may reduce the estate tax liability of my estate, a portion of which reduction could, in the absence of this subarticle G, inure to the benefit of beneficiaries other than the payor. Anything in this Article VII to the contrary notwithstanding, any such reduction shall be applied first to reduce (but not below zero) the amount of estate tax charged to the payor, with any balance being applied as it would have been had this subarticle G not existed.

H. To the extent possible, no transfer taxes shall be paid from any property, whether passing (i) under this Will or otherwise or (ii) outright or in trust, which shall qualify for the Federal estate tax marital or charitable deduction.

I. My executor shall not be liable to any person or persons as a result of the exercise by him of any discretion granted pursuant to this Article VII, and any discretionary decisions made by my executor shall be conclusive and binding upon all persons interested therein.

ARTICLE VIII

The interest of any beneficiary or remainderman in any trust created hereunder, either in income or in principal, or in both, shall not be subject to sale, assignment, pledge or transfer in any manner, and such interest shall not be liable or subject in any manner while in the possession of my trustees for the debts, contracts, obligations, liabilities, engagements, undertakings or torts of any such beneficiary or remainderman. No beneficiary or remainderman shall have the power in any manner to anticipate, charge or encumber his or her interest, either in income or in principal, or in both.

ARTICLE IX

Any portion of my estate or of any trust created hereunder vesting in absolute ownership in a person who is a minor and/or who, in the judgment of my fiduciaries, is incapable of adequately managing such assets, may be held for the benefit of such person by my fiduciaries until such minor shall attain majority and/or, in the judgment of my fiduciaries, such incapacity shall cease to exist. During such period, my fiduciaries so holding such property shall have all the powers and authority hereinafter granted to them with respect to my estate or any trust created hereunder; shall not be required to furnish bond or other security; and may pay or apply to or for the benefit of such person, in any applicable manner set forth in Article VI hereof, such portions, or all, of the property so held, and/or the income earned thereon, as they shall deem to be in the best interest of such person, accumulating as principal any income not so expended in any year. The authority granted to my fiduciaries hereunder shall be in addition to, and not in lieu of, any other alternative available to them with respect to the administration and distribution of such portion of my estate or of such trust, and it shall be construed as a power only, and shall not operate to suspend the absolute ownership of such property, or of such accumulations of income, if any, by such person, nor shall it prevent the absolute vesting thereof in such person.

ARTICLE X

A. Each adult beneficiary, with respect to the trust created hereunder for his or her own benefit, shall have the right, from time to time, but in no event more than once during any five (5) year period, to remove any then serving trustee(s) and, if no trust institution shall then be serving, appoint any trust institution of his or her choice as successor; provided, however, that such trust institution (i) shall, at the time of appointment, be administering trust assets valued at no less than two hundred fifty million ($250,000,000) dollars and (ii) may not be related or subordinate [within the meaning of Section 672(c) of the Code] to such beneficiary.

B. The rights granted in subarticle A hereof may be exercised by an instrument in writing, executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey, and delivered to the then acting trustee(s), either in person or by prepaid, registered or certified mail, which instrument shall advise such trustee(s) of the appointed successor, if any, and shall state the effective date of removal, to be not less than thirty (30) days and not more than sixty (60) days after delivery. On such effective date, or as soon thereafter as may be reasonably feasible, the trustee(s) being removed shall then turn over to the remaining co-trustee(s) and/or appointed successor, if any, all funds then held by such trustee(s) in the trust or trusts involved, in cash or in kind or partly in cash and partly in kind, in the discretion of the trustee(s) being removed, reserving therefrom such amount as such trustee(s) shall deem reasonably necessary to cover the expenses of such removal, including any applicable termination commissions. The trustee(s) being removed shall have the right to demand and receive, prior to releasing any funds to the remaining co-trustee(s) and/or appointed successor, if any, written approval of such trustee's or trustees' statements or final accounting by the then living adult income beneficiary, which shall have the same force and effect as an approved accounting pursuant to Article XIII hereof. In lieu thereof, such trustee(s) may submit said final accounting to a court for settlement, and in either event may postpone delivery of funds to the remaining

co-trustee(s) and/or appointed successor, if any, until such statements or account, judicial or otherwise, shall have been approved.

ARTICLE XI

In the administration of my estate, and any trust created hereunder, my fiduciaries shall have all of the powers vested in fiduciaries by law, including, but not limited to, (i) the unrestricted power to sell any or all of the property constituting my estate or such trust, whether real or personal, upon such terms and conditions (including credit) as they shall deem advisable; (ii) the power to distribute my estate or such trust in cash or in kind or partly in cash and partly in kind, even though shares be composed differently; (iii) the power to elect or not to elect to disclaim all or part of transfers or bequests made to me prior to my death by other persons, and (iv) the power to make and retain investments so long as the requirements (other than diversification) of any applicable Prudent Investor Act (or equivalent) are satisfied.

Each and all of the aforesaid powers may be exercisable by my fiduciaries without prior court permission or approval, at such times (if at all), in such manner, and in accordance with such criteria, as my fiduciaries, in their discretion, shall deem appropriate and my fiduciaries may make their decision regarding diversification based upon such criteria as they, in their sole discretion, shall deem advisable, including, but not limited to, tax considerations, and my fiduciaries shall incur no liability of any kind as a result of their decision whether or not to diversify.

ARTICLE XII

A. Wherever in this Will the words "executor", "trustees" and "fiduciaries" are used, they shall be construed to mean "executor, executors, executrix, executrices, personal representative, personal representatives, trustee, trustees and the survivor or survivors of them and their successor or successors in office."

B. Wherever in this Will the word "bequeath" is used, it shall be construed to mean "give, devise and bequeath."

C. Wherever in this Will the words "descendant" and "descendants" are used, they shall be construed to be synonymous with the word "issue."

D. Wherever in this Will the words "per stirpes" are used with reference to the descendants of any individual, they shall be construed to mean that the determination of such descendants begins with the children of such individual and that no distribution at any generational level shall be per capita.

E. Wherever in this Will the words "sibling" and "siblings" are used, they shall be construed to mean "brother(s) and sister(s)" (of the whole blood or of the half blood, but only if I or a descendant of mine shall be the natural or adoptive parent of the latter), but not "step-brother(s) and step-sister(s)", unless the same shall have been adopted by me or a descendant of mine.

F. For all purposes under this Will, whether for the determination of relationships or otherwise, (i) adopted children of mine shall be considered to have, and shall be given, the same status as natural-born children and (ii) adopted children of any other person shall be considered to have, and shall be given, the same status as natural-born children only if the child was a minor when adopted and lived while a minor (either before or after the adoption) as a regular member of the household of the adopting parent. All references in this Will to children or descendants of mine or any other person shall include, and it is my intention that this Will shall be effective notwithstanding the fact that there shall be, any child, children, descendant or descendants of mine or any other person born or adopted after the date of execution hereof.

No one claiming to be a natural-born descendant of another person shall be considered as such unless the claimant and the purported parent had established a child-parent relationship prior to the time in question and they had lived together, while the claimant was a minor, as child and parent in the same household. The purpose of this paragraph is to prevent someone from successfully claiming to be a person's child although never acknowledged to be such and it shall apply notwithstanding any provision of law to the contrary.

G. All references made, and all nouns and pronouns used herein, shall be construed in the singular or plural, and in such gender, as the sense and circumstances require.

H. Wherever in this Will the word "Code" is used, it shall be construed to mean the Internal Revenue Code of 1986, as amended. Any reference to a section of the Code shall be deemed to refer to such section or to any section of similar import.

I. Wherever in this Will the words "trust institution" are used, they shall be construed to mean a corporation or other organization authorized to act as trustee of both lifetime and testamentary trusts.

ARTICLE XIII

My fiduciaries, upon request, but not more often than annually, shall provide to each beneficiary of my estate and of any trust administered by them, statements setting forth the receipts and disbursements of principal and income and the assets on hand at the commencement and expiration of the period covered by such statements. The written approval of such statements by the then living adult income beneficiary or beneficiaries, whichever shall be applicable, shall be final and binding upon all who are then or may thereafter become entitled to any part of the assets, as to all matters and transactions shown on the statements. Anything herein contained shall not preclude my fiduciaries, from time to time, from rendering an accounting or from submitting an accounting to a court for settlement, as they shall deem advisable.

ARTICLE XIV

With respect to any trust created hereunder which shall have a single current income beneficiary, if at any time after taking into account the age, maturity and competence of such beneficiary, my trustees (other than such beneficiary) shall determine it to be in his or her best

interest to terminate such trust and distribute to him or her, outright and free of trust, the entire remaining principal thereof, my trustees may do so, whereupon such trust shall terminate and the rights of any other beneficiaries or remaindermen in such trust shall cease. In making such decision: (i) my trustees shall take into account the relationship of commissions and expenses to the value of the principal of such trust, and if they shall decide that the value of the trust does not warrant the incurring of such commissions and expenses said decision shall be considered a proper reason for termination pursuant to this Article; and (ii) my trustees shall take into account the then existing and anticipated future status of the Federal estate and generation-skipping transfer taxes, and any applicable State estate, generation-skipping transfer and inheritance taxes, and if they shall conclude that the existence of any such tax probably was, but probably is no longer, a principal reason for the existence of the trust, said conclusion also shall be considered a proper reason for termination pursuant to this Article.

ARTICLE XV

Any trust created hereunder which shall be substantially identical to any other trust created hereunder, or to a trust created under the Last Will and Testament of my husband, JOHN M. DOE, or under any trust created by either of us prior to death, may, in the discretion of my trustees, be merged into such other trust, or they may accept a merger of such other trust into the substantially identical trust created hereunder, if my trustees shall determine the same advisable to facilitate the administration thereof, to reduce the expense of operation thereof, or any other reason they shall deem to be in the best interests of the beneficiary thereof.

ARTICLE XVI

To the extent permitted by law, if any beneficiary or remainderman under this Will, or any person who would succeed to any of my property by intestate succession, shall, directly or indirectly, by legal proceedings or otherwise, challenge or contest this Will or any of its provisions, or shall attempt in any way to oppose or set aside the probate of this Will or impair or invalidate any of the provisions I have made in it, (i) any bequest to, or other provision for, that beneficiary or remainderman under this Will shall be revoked and shall be disposed of in the same manner as if the contesting beneficiary or remainderman, his or her spouse and all of his or her descendants had predeceased me and (ii) such beneficiary, remainderman or person otherwise entitled to succeed to any of my property by intestate succession, his or her spouse and all of his or her descendants shall also be deemed to have predeceased me and shall not succeed to any of my property by intestate succession.

ARTICLE XVII

My trustees shall have the right to collect and receive, for the benefit of any trust created hereunder, the proceeds of any policies of insurance on my life made payable to my testamentary trustees, as well as the proceeds of any other death benefits, of whatsoever nature, made so payable, and any other money or property, or interest therein, receivable by them as a result of my

death, or otherwise, and my trustees may execute appropriate proofs of death and claims for such assets, as well as receipts and releases therefor. To the extent permitted by law, all such assets shall be exempt from, and shall not be used in payment of, any of my debts, funeral costs, estate administration expenses and transfer taxes. All such assets shall be held as part of the principal of the trust or trusts created hereunder, and, unless otherwise specified in the appropriate beneficiary designation, shall be administered pursuant to subarticle B or C of Article IV hereof, whichever shall be applicable.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this day of , 2013.

_____(L.S.)
JANE A. DOE

The foregoing Will, consisting of thirteen (13) pages, was signed, sealed, published and declared by the said Testatrix, JANE A. DOE, as and for her Last Will and Testament, in the presence of us, who, in her presence, at her request, and in the presence of each other, all being present at the same time, have hereunto subscribed our names as witnesses.

_____ _____
Witness Address

_____
_____ _____
Witness Address

_____

STATE OF NEW JERSEY)
ss:
COUNTY OF)

We, JANE A. DOE, the testatrix, and and , the witnesses, whose names are signed to the attached or foregoing instrument, being duly sworn, do hereby declare to the undersigned authority that the testatrix signed and executed the instrument as her Last Will and that she had signed willingly, and that she executed it as her free and voluntary act for the purposes therein expressed; and that each of the witnesses, in the presence and hearing of the testatrix, signed the Will as witness and that to the best of his or her knowledge the testatrix was at that time 18 years of age or older, of sound mind and under no constraint or undue influence.

_____
JANE A. DOE, Testatrix

_____
, Witness

_____
, Witness

Subscribed, sworn to and acknowledged before me by JANE A. DOE, the testatrix, and subscribed and sworn to before me by and , witnesses, this day of , 2013.

_____

OUTRIGHT MARITAL DEDUCTION PECUNIARY FORMULA WILL

SEPARATE TRUST FOR NJ ESTATE TAX EXEMPTION AND OUTRIGHT DISTRIBUTION OF MARITAL AMOUNT TO SPOUSE

LAST WILL AND TESTAMENT

OF

TOM JONES

I, TOM JONES, residing at 2 Singer Lane, Englewood Cliffs, New Jersey 07632, being of sound mind, memory and understanding, do make, publish and declare the following to be my Last Will and Testament, hereby revoking all Wills and Codicils heretofore made by me:

ARTICLE I

A. I appoint my wife, MARY JONES, as executor of this my Last Will and Testament. If MARY shall fail to qualify, or having qualified shall cease to serve, as executor, due to her death or any other reason whatsoever, I appoint my brother-in-law, STEVE SMITH, as her successor. If STEVE also shall fail to qualify, or having qualified shall cease to serve, as executor, due to his death or any other reason whatsoever, I appoint my brother, JEFF JONES, as his successor.

The last serving executor shall have the right, by an instrument in writing or by Last Will and Testament, to appoint any individual(s) and/or trust institution of his or her choice as successor executor(s).

B. I appoint my wife, MARY JONES, and my brother-in-law, STEVE SMITH, as trustees of the trusts created hereunder. If STEVE shall fail to qualify, or having qualified shall cease to serve, as a trustee, due to his death or any other reason whatsoever (other than removal pursuant to Article XIII hereof), I appoint my brother, JEFF JONES, as his successor.

If at any time MARY shall be serving as sole trustee of any trust created hereunder, she, by an instrument in writing, shall appoint any individual(s) and/or trust institution of her choice as co-trustee(s) of such trust, to serve together with her.

The last serving trustee of a trust created hereunder shall have the right, by an instrument in writing or by Last Will and Testament, to appoint any individual(s) and/or trust institution of his or her choice as successor trustee(s) of such trust.

C. If my wife, MARY JONES, shall predecease me, and I shall die during the minority of any child or children of mine, I appoint my sister-in-law, SHELLEY SMITH, as

* Provided by Shoobe & Bakarich, P.C., Paramus, New Jersey

guardian of any such child or children during the remainder of their minority. If SHELLEY shall fail to qualify as guardian, or having qualified shall cease to serve, due to her death or any other reason whatsoever, during the minority of any child or children of mine, I appoint my brother-in-law, STEVE SMITH, as her successor.

The last serving guardian shall have the right, by an instrument in writing or by Last Will and Testament, to appoint any individual(s) of his or her choice as successor guardian(s).

D. I direct that no bond or other security shall be required of my executor, trustees or guardian, or any of them, or any successors thereto, in any jurisdiction in which they may be called upon to act.

E. The written instruments referred to in subarticles A, B and C hereof shall be executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey.

ARTICLE II

I direct my executor to pay, as soon as convenient after my death, all of my debts, the expenses of my last illness, my funeral and related expenses and the expenses of administering my estate. Notwithstanding the foregoing, my executor shall not pay any debt of mine secured by property owned by me (including a life insurance policy), it being my intention either that said property shall pass subject to such indebtedness or, if the property shall be a life insurance policy, that any such debt shall first be satisfied out of the proceeds of such policy.

ARTICLE III

A. I bequeath all of my personal effects, jewelry and automobiles, and all of my household furnishings, equipment and bric-a-brac, to my wife, MARY JONES, if she shall survive me, or if she shall predecease me, I bequeath the same to those of my children who shall survive me, in as nearly equal shares as feasible, to be allocated among them as they shall mutually agree, or in the absence of such agreement, as my executor, in her discretion, shall determine, giving due regard to the preferences of such children.

If any such child of mine shall not then be of legal age, my executor shall set aside so much of such child's share of such property as she shall determine I would wish to have preserved for such child, and shall dispose of the balance as she shall deem advisable, adding the proceeds thereof to such child's share of my residuary estate, or, if applicable, to the trust into which such child's share of my residuary estate shall be converted, to be treated as part of the initial principal thereof. The portion of such property so set aside for any minor child may, in the discretion of my executor, be placed in storage until such child shall attain legal age, and/or delivered to his or her legal guardians, and/or preserved for him or her in such other manner as my executor, in her discretion, shall deem advisable.

B. If neither my wife, MARY JONES, nor any of my children, shall survive me, the bequest in subarticle A hereof shall lapse, and the aforesaid property shall be added to my residuary estate and distributed as hereinafter provided.

ARTICLE IV

All of the rest, residue and remainder of my estate, of every nature and description, real, personal and mixed, wheresoever situated, remaining after payment of the debts and expenses specified in Article II hereof (referred to herein as my "residuary estate"), I bequeath to my trustees, hereinabove named, who shall add the same to any life insurance proceeds or other death benefits, and any other money or property, or interest therein, received by them as a result of my death, or otherwise, and my trustees shall administer such assets as follows:

A. If my wife, MARY JONES, shall survive me, effective as of the date of my death my trustees shall pay over and distribute to her, from the assets received by them, the "Marital Deduction Amount", as hereinafter defined. The Marital Deduction Amount shall be a pecuniary distribution, and not a fractional share of the assets received by my trustees, and shall not be diminished by any transfer taxes payable from such assets.

B. My trustees shall hold the remainder of the assets received by them, or the whole thereof if my wife, MARY JONES, shall not survive me, in trust. Such trust, hereinafter referred to as the "Residuary Share", shall be administered pursuant to the provisions of Article V hereof.

ARTICLE V

My trustees shall hold the Residuary Share in trust for the following uses and purposes:

A. If my wife, MARY JONES, shall survive me, then until her death my trustees shall pay to her, or apply for her benefit, the entire net income of the trust, at convenient intervals, but not less often than quarter-annually. In addition, MARY shall have the right, exercisable at any time and from time to time, upon written request to my trustees, to receive payment out of the principal of the trust of such amount or amounts as she shall deem reasonably necessary to provide for her health, maintenance and support. If, in the judgment of my trustees, other than MARY, she is incapable of exercising such right, such trustees may exercise such right on MARY's behalf while such incapacity shall exist. In the exercise of such right by my trustees, they shall consider that it is my primary intention that MARY, for as long as she shall live, shall continue to enjoy the same standard of living that she enjoyed at the time of my death, and that preservation of principal for the remaindermen of the trust shall be subordinate thereto.

In addition to the aforementioned payments of net income and principal, MARY shall have the absolute right, exercisable only during the last ten (10) days of each calendar year, upon written request to my trustees, to receive payment out of the principal of the trust of such amount or amounts as she shall desire, for any purpose at all, not to exceed in the aggregate,

however, in any one calendar year, an amount equal to five (5%) percent of the value of the trust as of the last day of such calendar year. Amounts not so withdrawn in any one year shall not be added to or increase amounts subject to withdrawal in any succeeding year.

In further addition to the aforementioned payments of net income and principal, MARY shall have the right, from time to time, to appoint all or any part of the then remaining principal of the trust to and among such of my descendants as she shall desire, and my trustees shall transfer and set over principal of the trust in accordance with any exercise of such power. This power of appointment may be exercised by MARY by an instrument in writing, executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey and delivered to my trustees, and may be exercised in favor of the permissible appointees in such proportions and amounts, and upon such estates, whether in trust or otherwise, as MARY shall desire, but may not be exercised for the purpose of discharging a legal obligation (whether for support or any other purpose) of MARY or for her pecuniary benefit.

Upon the death of MARY, she shall have the right to appoint the then remaining principal and undistributed income of the trust to and among such of my descendants as she shall desire, and my trustees shall transfer and set over such principal and income in accordance with any exercise of such power. This power of appointment may be exercised by MARY by (and only by) specific provision in her Last Will and Testament making reference hereto, and may be exercised in favor of the permissible appointees in such proportions and amounts, and upon such estates, whether in trust or otherwise, as she shall desire, but may not be exercised for the purpose of discharging a legal obligation (whether for support or any other purpose) of MARY or for her pecuniary benefit. Any portion of the principal and undistributed income of the trust remaining at the date of death of MARY, which she shall not have validly appointed by her Last Will and Testament as above provided, shall be distributed as provided in subarticle B hereof.

B. Upon my death if my wife, MARY JONES, shall predecease me, or upon her death if she shall survive me and shall have failed to exercise fully the power of appointment hereinabove granted to her, my trustees shall divide the unappointed principal and undistributed income of the trust, or the whole thereof, whichever shall be applicable, together with any principal and/or income of any other trust created hereunder that shall be added thereto, into a sufficient number of equal shares so that there shall be set aside one such share for the benefit of each child of mine who shall then be living, and one such share for the benefit of the then living descendants collectively of each child of mine who shall then be deceased, to be allocated among them per stirpes.

Each share allocated to a child of mine, and each portion of a share allocated to a descendant of a deceased child of mine, shall be held by my trustees as a separate trust for the benefit of the person for whom it shall have been allocated, for the following uses and purposes:

1. Until the attainment of the age of twenty-one (21) years by the beneficiary of the trust, my trustees, at any time or times that they shall deem it advisable, may apply for the benefit of the beneficiary, or pay over to him or her, so much, all or none of the net income of the trust as my trustees, in their discretion, shall deem advisable.

2. From and after the attainment of the age of twenty-one (21) years by the beneficiary of the trust, and until the termination thereof, my trustees shall apply for the benefit of the beneficiary, or pay over to him or her, all of the net income of the trust, at convenient intervals, but not less often than quarter-annually.

3. Prior to the distribution of all of the principal of the trust, my trustees, at any time or times that they shall deem it advisable, may apply for the benefit of the beneficiary thereof, or pay over to him or her, such sum or sums out of the principal of the trust (including the whole thereof) as my trustees, in their discretion, shall deem advisable.

4. Upon the attainment of the age of twenty-five (25) years by the beneficiary of the trust, my trustees shall pay over and distribute to him or her one-quarter (1/4) of the then remaining principal of the trust; upon the attainment of the age of thirty (30) years by the beneficiary, my trustees shall pay over and distribute to him or her one-third (1/3) of the then remaining principal thereof; and upon the attainment of the age of thirty-five (35) years by the beneficiary, my trustees shall pay over and distribute to him or her all of the then remaining principal thereof, together with all undistributed income, whereupon the trust shall terminate. If upon the establishment of the trust the beneficiary thereof shall then have either (i) attained age twenty-five (25) but not age thirty (30), or (ii) attained age thirty (30) but not age thirty-five (35), my trustees shall pay over and distribute to him or her either (i) one-quarter (1/4) or (ii) one-half (½) of the initial principal thereof, respectively, and only the balance shall be held in trust pursuant hereto; and if upon the establishment of the trust the beneficiary shall then have attained age thirty-five (35), the entire principal thereof shall then be paid over and distributed to him or her, and no portion thereof shall be held in trust hereunder.

5. If the beneficiary of the trust shall die before attaining the age of thirty-five (35) years, the principal of the trust remaining at his or her death (together with all undistributed income) shall be paid over and distributed to his or her then living descendants, per stirpes, and in default of such descendants, the same shall be paid over and distributed to those of the beneficiary's siblings who shall then be living and to the then living descendants of any sibling of the beneficiary who shall then be deceased, per stirpes; and in default of such siblings and descendants of a deceased sibling, to the then living descendants of that child of mine who shall be the ancestor of the beneficiary, per stirpes, and in default of such ancestor's descendants, to those of my children who shall then be living and to the then living descendants of any child of mine who shall then be deceased, per stirpes; provided, however, that: (i) any sums thus payable to any person for whose benefit a trust created hereunder shall then still be in existence shall be added to the principal of such trust, and shall be held and distributed as part thereof, and (ii) any sums thus payable to any person who shall then be under the age of thirty-five (35) years and for whose benefit there shall not then be in existence a trust created hereunder, shall be held in trust for the benefit of such person in accordance with the provisions of paragraphs 1 through 5 of this subarticle B.

C. Upon the death of the survivor of myself and my wife, MARY JONES, or upon the death of the beneficiary of a trust created under subarticle B hereof, whichever shall be

applicable, if none of my children, and no descendant of any deceased child of mine, shall then be living, my trustees shall pay over and distribute the then remaining principal and undistributed income of the trust, or the whole thereof, whichever shall be applicable, together with any income and/or principal of any other trust created hereunder that shall be added thereto, as follows:

1. One-half (½) thereof to those of my siblings, JEFF JONES and DAVE JONES, who shall then be living and the then living descendants of any such sibling of mine who shall then be deceased, per stirpes.

2. One-half (½) thereof to those of MARY's siblings, STEVE SMITH and SHELLEY SMITH, who shall then be living and the then living descendants of any such sibling of MARY who shall then be deceased, per stirpes.

3. If all of the individuals named in paragraph 1 or 2 hereof, and all of their descendants, shall not then be living, then the distribution in such paragraph shall lapse, and the same shall be added to the distribution in said paragraph 1 or 2 which shall not have lapsed.

ARTICLE VI

Anything in this Will to the contrary notwithstanding:

A. Any trust created hereunder which shall be or become subject to a rule against perpetuities and which, by its terms, shall not have terminated on or before the date which is twenty-one (21) years after the death of the last survivor of myself, my wife, MARY JONES, and those of my descendants who shall survive me, shall nevertheless terminate on such date, and the principal and undistributed income thereof shall thereupon be paid over and distributed free of trust to the then current income beneficiary thereof, or the current income beneficiaries thereof, in equal shares, if more than one.

B. For all purposes of this Will other than Article III hereof:

1. If any beneficiary hereunder, other than my wife, MARY JONES, shall survive me but shall die within ninety (90) days of my death, such beneficiary shall be deemed to have predeceased me.

2. If any beneficiary hereunder shall survive my wife, MARY JONES, but shall die within ninety (90) days of her death, such beneficiary shall be deemed to have predeceased MARY.

ARTICLE VII

A. Except as specifically provided to the contrary in this subarticle A, all transfer taxes payable with respect to property passing under this Will shall be paid out of my residuary

estate, without apportionment, except that any transfer tax determined with reference to my relationship to the recipient of the property giving rise to such tax shall be charged to such property or recipient and shall not be paid out of my residuary estate. For purposes of this subarticle A, property received by my trustees other than from my executor shall not be considered to have passed under this Will.

Pursuant to the provisions of subarticle E of Article VIII hereof, a trust, to be known as the "Disclaimed Share," may be established for the benefit of my wife, MARY JONES. If any portion of the Disclaimed Share shall be subject to transfer taxes, the taxes attributable to such portion shall be paid therefrom.

B. It is my intention that all transfer taxes payable with respect to property passing other than under this Will shall be paid by the recipient thereof, and, if paid by my executor, shall be recovered from such recipient if my executor shall deem it reasonably feasible to do so. My executor shall not be liable to my estate or to any person interested therein if my executor shall not deem it reasonably feasible to recover such taxes, and my executor shall have no obligation to pursue recovery under such circumstances. If my executor shall come into possession of any property distributable to a beneficiary from whom my executor shall have a right of recovery pursuant to this subarticle B, my executor may pay, on behalf of the beneficiary, the amount of recoverable taxes and charge the same to such property or sell any part of such property to produce cash to satisfy the recovery right.

If an asset of my estate is valued for transfer tax purposes higher than the amount received by my estate due to the application of Code Section 2703 or otherwise, and if the purchaser or purchasers of such asset, or the owner or owners of the purchaser, receive any bequest under this Will, then to the extent such person or persons are benefitted, directly or indirectly, by the purchase, such benefit shall be deemed to be property passing other than under this Will for purposes of this subarticle B. The same principle shall apply if any gift tax is included in my gross estate pursuant to Code Section 2035(b), with the recipient of the gift being treated as a purchaser.

C. If any transfer taxes are to be paid out of, or by the recipient of, specifically identified property pursuant to subarticle A hereof, the taxes attributable to each such property shall be a pro rata portion of the total transfer taxes payable with respect to all property subject to such taxes passing under this Will, except that any transfer tax determined with reference to my relationship to the recipient of the property giving rise to such tax shall be charged to such property or recipient and not allocated pro rata as aforesaid.

D. The transfer taxes attributable to the property referred to in subarticle B hereof shall be the amount by which the total of such taxes payable exceeds the total of such taxes which would have been payable had such property not been subject to transfer taxes, the same to be allocated among the various interests in such property pro rata, except that any transfer tax determined with reference to my relationship to the recipient of the property giving rise to such tax shall be charged to such property or recipient and not allocated pro rata as aforesaid.

E. Whenever transfer taxes with respect to property passing under this Will are payable from specified property, or by the recipient thereof, in accordance with the provisions of this Article VII, my executor may withhold distribution of a portion of such property to secure payment thereof, and may make payment on behalf of the recipient or make whatever other arrangements my executor shall deem advisable to assure that the taxes are paid. If the recipient also receives property other than under this Will, the foregoing authority to withhold distribution of property passing under this Will shall extend to the transfer taxes payable with respect to such property passing outside of this Will.

F. When used in this Will, the term "transfer taxes" shall be deemed to include all taxes payable by reason of property passing upon my death, whether labeled estate taxes, inheritance taxes, death taxes, succession taxes, transfer taxes, or otherwise, and whether imposed by the Federal government, any state, city or municipality, or otherwise, including interest and penalties thereon. Such term shall not be deemed to include taxes imposed on generation-skipping transfers pursuant to Code Section 2601 et seq. or any other statute of similar import, whether imposed by the Federal government, any state, city or municipality, or otherwise, which taxes, including interest and penalties thereon, shall be paid as provided in Section 2603 of the Code, or in any other statute of similar import.

G. Nothing contained in this Article VII shall be deemed to be a direction that my estate recover or not recover from the recipient of property included in my gross estate by reason of Section 2044 of the Code the amount specified in Section 2207A of the Code, it being my intention that my executor shall make such decision in accordance with such criteria, as she, in her discretion, shall deem appropriate.

H. A person (the "payor") receiving assets as a result of my death (whether or not received pursuant to this Will) may be obligated to pay a transfer tax (often called, and referred to herein as, an "inheritance tax") and also may be charged with a portion of another transfer tax (often called, and referred to herein as, an "estate tax"). Such inheritance tax payment may reduce the estate tax liability of my estate, a portion of which reduction could, in the absence of this subarticle H, inure to the benefit of beneficiaries other than the payor. Anything in this Article VII to the contrary notwithstanding, any such reduction shall be applied first to reduce (but not below zero) the amount of estate tax charged to the payor, with any balance being applied as it would have been had this subarticle H not existed.

I. To the extent possible, no transfer taxes shall be paid from any property, whether passing (i) under this Will or otherwise or (ii) outright or in trust, which shall qualify for the Federal estate tax marital or charitable deduction.

J. My executor shall not be liable to any person or persons as a result of the exercise by her of any discretion granted pursuant to this Article VII, and any discretionary decisions made by my executor shall be conclusive and binding upon all persons interested therein.

ARTICLE VIII

A. When used in this Will, the term "Marital Deduction Amount" shall mean an amount equal to (i) the value of those assets received by my trustees that are included in my gross estate for Federal estate tax purposes less (ii) that amount, if any, as shall be required to increase my taxable estate for such purposes to the maximum amount possible without requiring payment of any Federal or State estate (but not inheritance) taxes, and, if my wife, MARY JONES, shall survive me for less than one hundred eighty (180) days, less (iii) any additional amount required to increase further my taxable estate for Federal estate tax purposes to the minimum amount possible which would cause my estate to be taxed in the same marginal Federal estate tax bracket as MARY's estate; provided, however, that this clause (iii) shall be applicable only if, as a result thereof, Federal estate taxes will be payable by both her estate and mine. My fiduciaries shall be entitled to rely upon the written advice of the executors or administrators of MARY's estate attesting to both the value of her estate (which may be an estimate) and any other information requested by my fiduciaries to comply with clause (iii) above, without the necessity of verifying the same, and my fiduciaries shall not be personally liable for any loss to my estate or any beneficiary thereof resulting from their administration of such provision based on all such information.

B. For the purpose of establishing the Marital Deduction Amount:

1. The unified credit (applicable credit amount) allowed against the Federal estate taxes payable by my estate shall be taken into account to the extent it does not result in payment of State estate taxes that could have been avoided if a lesser unified credit had been utilized. Any credit or deduction allowed against such Federal taxes for State transfer taxes paid by my estate shall be taken into account only to the extent that the amount of the State taxes is determined independently of, and without reference to the amount of, the Federal taxes.

2. Property that is included in my gross estate for Federal estate tax purposes and is disposed of by any provision of this Will, or outside of this Will, in a manner which does not qualify for the marital deduction or the charitable deduction for such purposes, shall be taken into account.

3. Such portion, if any, of the expenses of administration of my estate and other charges to or payments from the principal of my estate which, by election or otherwise, is not allowed as a deduction in computing my taxable estate for Federal estate tax purposes, shall be taken into account.

4. The amount of any adjusted taxable gifts as defined in Section 2001(b) of the Code, and the amount of any tax referred to in Section 2001(b)(2) of the Code, shall be taken into account.

5. Disclaimers, directions having the effect of a disclaimer, and elections to have less than all of qualified terminable interest property qualify for the marital deduction for Federal estate tax purposes, shall not be taken into account.

6. Notwithstanding the provisions of paragraph 2 hereof, any excess in the value of property over the price for it, determined pursuant to Section 2703 of the Code, shall not be taken into account unless, pursuant to other provisions of this Will applicable to specifically identified property, any transfer taxes attributable to such excess are to be paid out of my residuary estate.

7. The values and amounts of assets and deductions, or other items, finally fixed in the Federal estate tax proceeding relating to my estate shall be used, whether such values and amounts shall be fixed by agreement, compromise, litigation or otherwise.

C. Assets allocated to the Marital Deduction Amount shall be valued for such purpose as of the date of allocation, and only assets which are included in my gross estate for Federal estate tax purposes and which qualify for the Federal estate tax marital deduction shall be utilized to make up such amount. If Federal estate taxes shall be payable by my estate, then to the extent possible, there shall not be so utilized any property situated (within the meaning of the Code applicable to my estate or any United States estate tax convention applicable to my estate) in a foreign country and subject to any estate, inheritance, succession or other transfer tax imposed by a foreign country or a possession or political subdivision thereof, or the proceeds of any such property, or any property with respect to which any tax credit or deduction shall be available because the same shall be subject to both Federal estate and income taxes.

D. If I and my wife, MARY JONES, shall die at the same time, within one hundred twenty (120) hours of each other or under such circumstances that the order of our deaths cannot be determined with certainty, then for all purposes of this trust agreement, or otherwise, she shall be deemed to have survived me.

E. If my wife, MARY JONES, shall survive me, she shall have the right to disclaim distribution to her of all or part of the Marital Deduction Amount. This right may be exercised by MARY, by delivering to my Trustees, either in person or by certified mail, not later than nine (9) months after the date of my death, an instrument in writing, executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of Jersey, setting forth the amount so disclaimed, and if the same shall be less than the whole of the Marital Deduction Amount, then it may be expressed either as a fraction thereof or as a monetary amount, or any combination thereof. Any exercise of such right shall be irrevocable and shall also comply with the requirements of applicable Federal and State laws. Any amount so disclaimed, and any other money or property, or interest therein (including life insurance proceeds and other death benefits) which would have been paid to MARY but, as a result of disclaimer by her, is paid to the trustees herein named, shall be held in a separate trust, hereinafter referred to as the "Disclaimed Share", pursuant to the provisions of Article IX hereof, which trust shall be administered as if MARY survived me, notwithstanding any contrary statutory provisions governing the distribution of disclaimed property.

ARTICLE IX

My trustees shall hold the Disclaimed Share in trust for the following uses and purposes:

A. Until the death of my wife, MARY JONES, my trustees shall pay to her, or apply for her benefit, the entire net income of the trust, at convenient intervals, but not less often than quarter-annually. In addition, MARY shall have the right, exercisable at any time and from time to time, upon written request to my trustees, to receive payment out of the principal of the trust of such amount or amounts as she shall deem reasonably necessary to provide for her health, maintenance and support. If, in the judgment of my trustees, other than MARY, she is incapable of exercising such right, such trustees may exercise such right on MARY's behalf while such incapacity shall exist. In the exercise of such right by my trustees, they shall consider that it is my primary intention that MARY, for as long as she shall live, shall continue to enjoy the same standard of living that she enjoyed at the time of my death, and that preservation of principal for the remaindermen of the trust shall be subordinate thereto.

In addition to the aforementioned payments of net income and principal, MARY shall have the absolute right, exercisable only during the last ten (10) days of each calendar year, upon written request to my trustees, to receive payment out of the principal of the trust of such amount or amounts as she shall desire, for any purpose at all, not to exceed in the aggregate, however, in any one calendar year, an amount equal to five (5%) percent of the value of the trust as of the last day of such calendar year. Amounts not so withdrawn in any one year shall not be added to or increase amounts subject to withdrawal in any succeeding year.

B. Upon the death of my wife, MARY JONES, the then remaining principal and undistributed income of the trust shall be added to the Residuary Share, if it shall then be in existence, and/or administered as set forth in subarticle B or C of Article V hereof, whichever shall be applicable, as if the same had constituted part of the unappointed principal of the Residuary Share.

ARTICLE X

A. Whenever, pursuant to the terms of this Will, my trustees are directed to hold any property in trust, my trustees shall hold the same; shall manage, administer, invest and reinvest the principal of the trust; shall collect and receive the income thereof; shall pay any and all expenses incident to the operation of such trust; and shall distribute the net income and principal thereof in the manner set forth.

B. Whenever, pursuant to the terms of this Will, my trustees are given discretion to pay to a beneficiary of any trust created hereunder, or to apply for his or her benefit, such portions of the income of the trust, and/or such sums out of the principal of the trust, as my trustees shall deem advisable, my trustees may make such payment or application solely to provide for such beneficiary's health, maintenance, support and education (including undergraduate and postgraduate education). In the case of income, my trustees shall add to the principal of the trust any such net income not so expended in any fiscal year of the trust.

C. Whenever, pursuant to the terms of this Will, my trustees are given discretion to pay to a beneficiary of any trust created hereunder, or to apply for his or her benefit, portions of the income and/or principal of the trust, my trustees may take into consideration, but shall not be required to do so, any other income or property which may be available to such beneficiary, including the support which a spouse or parent does provide, or is obligated to provide.

D. Whenever, pursuant to the terms of this Will, my trustees are given discretion to pay or to apply income or principal of a trust to or for the benefit of a minor, my trustees may, in their discretion, make such payment or application by expending the same directly for the benefit of such minor, or by paying the amount so to be paid or applied to the parent or legal guardian of such minor, or to the person with whom such minor may reside, or to a person standing in the place of a parent to such minor, or to a Custodian for such minor designated by my trustees under an applicable Uniform Transfers to Minors Act or Uniform Gifts to Minors Act, or directly to such minor, or otherwise, as my trustees may, from time to time deem expedient, and the receipt of such minor or such other payee shall be a full acquittance to my trustees to the extent of such payments.

The provisions of this subarticle D shall also apply, to the extent applicable, whenever my trustees are given discretion to pay or apply income or principal of a trust to or for the benefit of a person who, in their judgment, is incapable of adequately managing such income or principal.

E. Whenever, pursuant to the terms of this Will, a person is given the discretion, whether in a fiduciary or non-fiduciary capacity, and whether alone or in conjunction with another person, to pay or to apply income and/or principal of any trust created hereunder to himself or herself or for his or her own benefit, and the purposes for which such payment or application can be made are not limited to such person's reasonable needs relating to health, maintenance, support and education, such purposes shall be deemed to be so limited, anything contained in this Will to the contrary notwithstanding. If such discretion is held by more than one person, any of whom is not a person to, or on whose behalf, income and/or principal can be so paid or applied, such other person or persons may exercise the discretion granted without reference to the limitations herein set forth. This subarticle shall not apply, however, to a right of withdrawal if the amount which could be withdrawn is limited so that it does not exceed the greater of the dollar or percentage limitation contained in Section 2514(e) of the Code.

F. Whenever, pursuant to the terms of this Will, a person is given the discretion, whether in a fiduciary or non-fiduciary capacity, and whether alone or in conjunction with another person, to pay or to apply income and/or principal of any trust created hereunder to or for the benefit of any other person, then the purposes for which such payment or application can be made shall be limited to those which do not relieve the person having such discretion of a legal obligation, whether for support or any other purpose, anything contained in this Will to the contrary notwithstanding. If such discretion is held by more than one person, any of whom is not a person whose legal obligation could be relieved by such payment or application, such other person or persons may exercise the discretion granted without reference to the limitation herein set forth.

ARTICLE XI

The interest of any beneficiary or remainderman in any trust created hereunder, either in income or in principal, or in both, shall not be subject to sale, assignment, pledge or transfer in any manner, and such interest shall not be liable or subject in any manner while in the possession of my trustees for the debts, contracts, obligations, liabilities, engagements, undertakings or torts of any such beneficiary or remainderman. No beneficiary or remainderman shall have the power in any manner to anticipate, charge or encumber his or her interest, either in income or in principal, or in both.

ARTICLE XII

Any portion of my estate or of any trust created hereunder vesting in absolute ownership in a person who is a minor and/or who, in the judgment of my fiduciaries, is incapable of adequately managing such assets, may be held for the benefit of such person by my fiduciaries until such minor shall attain majority and/or, in the judgment of my fiduciaries, such incapacity shall cease to exist. During such period, my fiduciaries so holding such property shall have all the powers and authority herein granted to them with respect to my estate or any trust created hereunder; shall not be required to furnish bond or other security; and may pay or apply to or for the benefit of such person, in any applicable manner set forth in subarticle D of Article X hereof, such portions, or all, of the property so held, and/or the income earned thereon, as they shall deem to be in the best interest of such person, accumulating as principal any income not so expended in any year. The authority granted to my fiduciaries hereunder shall be in addition to, and not in lieu of, any other alternative available to them with respect to the administration and distribution of such portion of my estate or of such trust, and it shall be construed as a power only, and shall not operate to suspend the absolute ownership of such property, or of such accumulations of income, if any, by such person, nor shall it prevent the absolute vesting thereof in such person.

ARTICLE XIII

A. If my wife, MARY JONES, shall survive me, she shall have the right, from time to time, but in no event more than once during any five (5) year period, to remove any then serving trustee(s) of any trust created hereunder and either (i) allow the successor trustee, appointed in subarticle B of Article I hereof, to serve or (ii) appoint any individual(s) and/or, if no trust institution shall then be serving, any trust institution of her choice as successor co-trustee(s), to serve together with MARY.

B. After the death of my wife, MARY JONES, each adult beneficiary, with respect to the trust created hereunder for his or her own benefit, shall have the right, from time to time, but in no event more than once during any five (5) year period, to remove any then serving trustee(s), other than STEVE SMITH and JEFF JONES, and, if no trust institution shall then be

serving, appoint any trust institution of his or her choice as successor; provided, however, that such trust institution being appointed shall, at the time of appointment, be administering trust assets valued at not less than two hundred fifty million ($250,000,000) dollars.

C. Any successor trustee (other than JEFF JONES) appointed pursuant to subarticle A or B hereof may not be related or subordinate [within the meaning of Section 672(c) of the Code] to the person making such appointment.

D. The rights granted in subarticles A and B hereof may be exercised by an instrument in writing, executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey, and delivered to the then acting trustee(s), either in person or by prepaid, registered or certified mail, which instrument shall advise such trustee(s) of the appointed successor(s), if any, and shall state the effective date of removal, to be not less than thirty (30) days and not more than sixty (60) days after delivery. On such effective date, or as soon thereafter as may be reasonably feasible, the trustee(s) being removed shall then turn over to the remaining co-trustee(s) and/or appointed successor(s), if any, all funds then held by such trustee(s) in the trust or trusts involved, in cash or in kind or partly in cash and partly in kind, in the discretion of the trustee(s) being removed, reserving therefrom such amount as such trustee(s) shall deem reasonably necessary to cover the expenses of such removal, including any applicable termination commissions. The trustee(s) being removed shall have the right to demand and receive, prior to releasing any funds to the remaining co-trustee(s) and/or appointed successor(s), if any, written approval of such trustee's or trustees' statements or final accounting by the then living adult income beneficiary or beneficiaries, whichever shall be applicable, which shall have the same force and effect as an approved accounting pursuant to Article XVII hereof. In lieu thereof, such trustee(s) may submit said final accounting to a court for settlement, and in either event may postpone delivery of funds to the remaining co-trustee(s) and/or appointed successor(s), if any, until such statements or account, judicial or otherwise, shall have been approved.

ARTICLE XIV

In the administration of my estate, and any trust created hereunder, my fiduciaries shall have the following powers, in addition to the powers vested in them by law, which in each and every instance may be exercisable by them at such times (if at all), in such manner, and in accordance with such criteria, as they, in their discretion, shall deem appropriate:

A. To retain any property, real, personal or mixed, whether owned by me at the time of my death or subsequently purchased or acquired by my fiduciaries, for such length of time as they shall deem proper, regardless of the nature of such property and regardless of whether the same shall be productive of income, and to receive and accept, at any time and from time to time, from any person or persons, including the fiduciary of any other estate or trust, any additions to my estate or any trust created hereunder in the form of cash, stock, securities or other property, real, personal or mixed, provided that such additions are acceptable to my fiduciaries.

B. To make such investments and reinvestments of principal and accumulated income as they may consider proper, and to retain cash or the proceeds from the sale of any assets until such time or times as they deem it appropriate to invest such funds, so long as the requirements (other than diversification) of any applicable Prudent Investor Act (or equivalent) are satisfied. My fiduciaries may make their decision regarding diversification based upon such criteria as they, in their sole discretion, shall deem advisable, including, but not limited to, tax considerations, and my fiduciaries shall incur no liability of any kind as a result of their decision whether or not to diversify.

C. To purchase or otherwise acquire, and to sell, exchange, mortgage, lease, grant and accept options and easements with respect to and otherwise deal with, any property, real, personal and mixed, improved or unimproved, at public or private sale, for cash or on credit, or partly for cash and partly on credit, and upon such terms and conditions as they may deem proper. No purchaser, upon any sale or other disposition, shall be bound to see to the application of monies or property arising therefrom or to inquire into the validity, expediency or propriety of any such sale or other disposition. Any leases or options entered into or granted with respect to real or personal property held hereunder may be for such period (whether or not the same extends beyond the actual or probable duration of my estate or of any trust created hereunder) as my fiduciaries shall deem advisable.

D. To manage, maintain, alter, develop, improve, abandon and otherwise deal with all property held by them, whether real, personal or mixed, and to do all such acts and to exercise all rights, powers and privileges, although not specifically mentioned herein, with respect to such property as may be legally done or exercised by any person owning similar property in his own right.

E. To pay, extend, renew, modify, compromise, assign, litigate, alter, release or forgive, upon such terms and conditions, with or without consideration, as they shall deem advisable, or submit to arbitration or any other form of alternate dispute resolution, any obligation or claim, including taxes, either in favor of or against my estate, or any trust created hereunder.

F. To borrow money or property, either upon the security of any or all of the assets of my estate or of any trust created hereunder, or without security or otherwise, upon such terms and conditions and for such purposes in connection with the administration of my estate or of any trust created hereunder, including not by way of limitation the purchase of improved or unimproved real or personal property, as to them shall seem proper, and to make any loans, in such amounts, upon such terms, and to such individuals or entities, as may be deemed advisable, provided such loans bear reasonable interest and are adequately secured.

G. To invest in, and/or to participate in the formation of, any corporation, partnership (general or limited), joint venture, limited liability company or other business organization, for such purposes, and for such periods of time, as they shall deem advisable, and to purchase shares of stock or other ownership interests therein, and to contribute to the capital thereof, and lend thereto, any assets of my estate or of any trust created hereunder; and to enter into or refuse to enter into any dissolution, liquidation, merger, consolidation, recapitalization, reorganization or

other change with respect to any corporation or other such business venture the stock or other ownership interest in which is held by them, and to make exchanges of securities or other interest therein; and to exercise all voting rights with respect to such investment, in person or by proxy, and to enter into voting trusts and other agreements regulating the ownership and disposition thereof, whether or not the same extends beyond the actual or probable duration of my estate or of any trust created hereunder, all upon such terms and conditions as they shall deem advisable.

H. To continue the operation of any business which I shall own or in which I shall be engaged at the time of my death, and to engage in and operate any other business, whether as a shareholder, partner, member, sole proprietor or otherwise, and to apply to the conduct of any such business any assets of my estate or of any trust created hereunder; and to dissolve, sell (for cash or on credit or partly for cash and partly on credit) or otherwise terminate any such business, all upon such terms and conditions as they shall deem advisable. No loss whatever resulting to my estate or to any trust created hereunder, through the ownership or operation by my fiduciaries of any business, whether the same be carried on as a corporation, partnership, proprietorship, limited liability company or otherwise, shall be chargeable against my fiduciaries personally. Nothing contained herein shall relieve my fiduciaries from the obligation to comply with any agreement entered into by me prior to my death regarding the sale or disposition of any interest in any business held by me at the time of my death.

I. To engage attorneys, accountants, agents, investment counsel and other advisers in connection with the administration of my estate and any trust created hereunder, and to pay expenses incurred thereby.

J. To hold investments in the name of my fiduciaries, or in bearer form, or in the name of a nominee without disclosing a fiduciary relationship, and, with respect to any trust institution serving as a fiduciary, to hold and administer any property in a common trust fund.

K. To set up reasonable reserves for depreciation and/or depletion.

L. To postpone the distribution of income earned during the administration of my estate for such period of time (not to extend beyond the period reasonably required for such administration) as they shall deem proper.

M. To make partial distributions of the principal of my estate, subject to adjustments resulting from the conclusion of any tax proceedings affecting my estate, and to divide and distribute my estate or any trust created hereunder in cash or in kind or partly in cash and partly in kind, without regard to differences in the composition of the shares or the tax bases of the assets distributed.

N. To hold the interest of two or more trusts, parts or shares created under this Will in consolidated funds, without any physical division of the investments, but such consolidation of investments shall not operate to merge the legal or beneficial interests in such separate trusts, parts or shares.

O. To make whatever elections or choices as shall be available to them respecting my last income tax return and any gift tax returns, including the filing of joint returns and consenting to gifts made by my spouse being treated as made one-half by me, and to pay all tax liabilities incurred thereby.

P. To execute and deliver all documents, contracts and instruments necessary or advisable in connection with the administration of my estate and any trust created hereunder.

Q. To retain within my estate, or within any trust created hereunder, beyond the date it otherwise would have terminated, such assets as they shall deem appropriate to allow my estate, or any such trust, to be deemed not to have terminated for the purpose of petitioning the United States Tax Court with respect to any assessed Federal tax deficiency. Such action can be taken with respect to my estate only if consented to in writing by the beneficiaries receiving at least half of the value of my residuary estate, and can be taken with respect to any trust created hereunder only if consented to in writing by the remainderman thereof (or both of them if there shall be two, or a majority of them if there shall be more than two).

R. To treat or not to treat as an expense of administering my estate, the costs of any ancillary or similar proceedings with respect to my estate and any costs incurred in connection with the preservation, protection and delivery of assets of my estate, including assets specifically bequeathed.

S. To allocate receipts and disbursements of my estate or any trust created hereunder between income and principal thereof in such a manner as my fiduciaries shall deem advisable, so long as the requirements of any applicable Principal and Income Act or equivalent are satisfied, except that during the lifetime of my wife, MARY JONES, no allocation or allocations shall be made with respect to any portion of my estate or of any trust created hereunder which could prevent the same from qualifying for the Federal estate tax marital deduction.

ARTICLE XV

In the administration of my estate, and any trust created hereunder, I direct that:

A. My fiduciaries shall not personally be liable for any loss which may occur to my estate or to any trust herein created as a result of the exercise of, or the refusal to exercise, any of the powers or discretions vested in them, so long as such exercise or refusal to exercise is made in good faith.

B. My fiduciaries shall not be disqualified from acting hereunder or from exercising any power granted herein because they may hold an interest in property in which my estate or any trust created hereunder shall also hold an interest, or be a creditor of my estate, or be an employee or agent of, or the holder of an interest in, any business, sole proprietorship, partnership, joint venture, association, corporation, limited liability company or otherwise, in which my estate or any trust created hereunder may hold an interest, or by reason of the fact that they may also be serving as the trustees of any trust established by me during my lifetime.

C. If my fiduciaries decide in good faith that there is uncertainty as to the necessity for including particular items in my estate for transfer tax purposes, or particular items in any income or gift tax returns, they may exclude such items. My fiduciaries shall not be personally liable for any tax, interest or penalty imposed, or for any loss incurred, as a result of such decision.

D. If applicable, my fiduciaries are authorized in their discretion:

(i) to consent to the election or revocation of the election by any corporation to be an S corporation for Federal, State and other income tax purposes;

(ii) to make or refrain from making the election provided for in Section 1361(e) of the Code, so that a trust will be treated as an "electing small business trust" even if, as a result thereof, the income taxes payable by the trust and/or any beneficiary thereof are increased;

(iii) to make or refrain from making the election provided for in Section 2056(b)(7) of the Code, so that all or a portion of qualified terminable interest property shall qualify for the Federal estate tax marital deduction;

(iv) to elect or not to elect an installment payment of Federal estate taxes pursuant to Section 6166 of the Code, and to post bond and/or create liens on assets of my estate as required in connection therewith, and to distribute assets of my estate so encumbered;

(v) to elect or not to elect to deduct all or part of the expenses of administration of my estate and losses incurred during the settlement of my estate in the computation of the Federal or state income tax liability of my estate;

(vi) to elect or not to elect to value my estate for transfer tax purposes as of a date other than the date of my death;

(vii) to elect or not to elect the application of Section 2032A of the Code with respect to qualified real property;

(viii) to elect or not to elect to disclaim all or part of transfers or bequests made to me prior to my death by other persons;

(ix) to exercise or refrain from exercising any right, election or option in connection with the Generation Skipping Transfer tax provided for in Chapter 13 (Section 2601 et seq.) of the Code, including, but not limited to, the right to allocate or not to allocate the GST exemption provided for in Sections 2631 and 2632 of the Code to any applicable property or disposition, including dispositions made by me prior to death, and to make disparate allocations thereof to similar properties or dispositions;

(x) to elect or not to elect to treat any portion of a payment of estimated tax made with respect to any trust created hereunder as a payment made by a beneficiary of such trust (in equal or unequal shares if there shall be more than one) and to consider any amount so treated as a distribution to such beneficiary;

(xi) to elect or not to elect, in whole or in part, the application of Section 2057 of the Code (or any section of similar import) with respect to any qualified family-owned business interest, and they shall not be required to elect a larger amount under said Section in order to pay a smaller tax to the extent the election reduces the applicable exclusion amount under Section 2010 of the Code;

(xii) to elect or not to elect to treat a qualified revocable trust as part of my estate pursuant to Section 645 of the Code;

(xiii) to elect or not to elect to disclaim all or part of any power or discretion held by my fiduciaries in a fiduciary capacity, and to determine whether or not such disclaimer shall be binding upon, and shall constitute a disclaimer by, any or all successor or substitute fiduciaries;

(xiv) to exercise or refrain from exercising any other election or option in connection with the computation of the transfer tax and income tax liabilities of my estate.

In the exercise of the discretion in clauses (i) through (xiv) hereof, my fiduciaries are to be guided by their opinion of what action will serve the best interests of my estate, and one or more of the beneficiaries thereof, and such discretion can be exercised without prior permission or approval of the court having jurisdiction of this Will. Furthermore, such consent and elections and options can be granted, made or exercised, or not, even though the result may be (i) the creation of liabilities; (ii) the shifting of interests in property between or among beneficiaries; and/or (iii) the fact that certain of the beneficiaries of my estate may incur a gain, while other beneficiaries of my estate may suffer a loss, but my fiduciaries may, if they deem it equitable, require adjustment among the various bequests contained herein and among the various beneficiaries of my estate, as a result of, or as a condition precedent to, the exercise of such discretion.

E. If pursuant to any provisions of this Will a trust would be established to which any part of my GST exemption [provided for in Section 2631(a) of the Code] would be allocated (hereinafter referred to as a "GST Trust"), and if after such allocation the inclusion ratio of such trust for generation skipping transfer tax purposes would not be zero, my fiduciaries may, but shall not be required to, establish two separate trusts, each to be administered in accordance with the provisions applicable to the GST Trust, with one trust having an inclusion ratio of one and the other trust having an inclusion ratio of zero. Assets that would have constituted the GST Trust shall be allocated between the two separate trusts as necessary to establish the prescribed inclusion ratios, and shall be valued for such purpose as of the date of allocation.

In addition, if pursuant to any provisions of this Will any portion of any trust created hereunder is required to be added to the principal of any other trust created hereunder (such latter trust being hereinafter referred to as the "recipient trust") and if the inclusion ratios (for generation skipping transfer tax purposes) of such trusts are not identical, then my fiduciaries, in lieu of making such addition, may, but shall not be required to, hold such portion in a separate trust, to be administered in accordance with the provisions applicable to the recipient trust.

In further addition, if pursuant to any provision of this Will a trust has been established that has an inclusion ratio of greater than zero and less than one, then my fiduciaries may, but shall not be required to, divide such trust into two separate trusts, provided that such division meets the definition of a "qualified severance" contained in Section 2642(a)(3) of the Code or Regulations promulgated pursuant thereto.

F. My fiduciaries may be employed and/or engaged in any capacity by, or render services to, my estate or any trust created hereunder, and/or may be employed and/or engaged by any corporation, proprietorship, joint venture, sole proprietorship, limited liability company or other entity in which my estate or any such trust may have an interest, and shall be entitled to receive and to retain (in addition to their remuneration for their services as fiduciaries herein) such compensation, perquisites and reimbursement of expenses in connection with such services, in such manner and upon such terms and conditions, as they, in their discretion, shall deem proper.

G. My fiduciaries may delegate discretion relating to the investment and management of estate or trust assets to an agent (including an entity affiliated with any trust institution serving as an executor or a trustee) and may do so without liability for the decisions, actions, omissions, neglect, misconduct or default of such agent, provided that such agent was selected and retained with reasonable care, skill and caution. My fiduciaries may pay such agent reasonable compensation for his, her or its services. Notwithstanding any statute or rule of law to the contrary, such compensation (other than of a fiduciary serving hereunder) shall not reduce any statutory commissions or other fees payable to my fiduciaries.

ARTICLE XVI

A. Wherever in this Will the words "executor", "trustees" and "fiduciaries" are used, they shall be construed to mean "executor, executors, executrix, executrices, personal representative, personal representatives, trustee, trustees and the survivor or survivors of them and their successor or successors in office."

B. Wherever in this Will the word "bequeath" is used, it shall be construed to mean "give, devise and bequeath."

C. Wherever in this Will the words "descendant" and "descendants" are used, they shall be construed to be synonymous with the word "issue."

D. Wherever in this Will the words "per stirpes" are used with reference to the descendants of any individual, they shall be construed to mean that the determination of such descendants begins with the children of such individual and that no distribution at any generational level shall be per capita.

E. Wherever in this Will the words "sibling" and "siblings" are used, they shall be construed to mean "brother(s) and sister(s)" (of the whole blood or of the half blood, but only if I or a descendant of mine shall be the natural or adoptive parent of the latter), but not "step-brother(s) and step-sister(s)", unless the same shall have been adopted by me or a descendant of mine.

F. For all purposes under this Will, whether for the determination of relationships or otherwise, (i) adopted children of mine shall be considered to have, and shall be given, the same status as natural-born children and (ii) adopted children of any other person shall be considered to have, and shall be given, the same status as natural-born children only if the child was a minor when adopted and lived while a minor (either before or after the adoption) as a regular member of the household of the adopting parent. All references in this Will to children or descendants of mine or any other person shall include, and it is my intention that this Will shall be effective notwithstanding the fact that there shall be, any child, children, descendant or descendants of mine or any other person born or adopted after the date of execution hereof.

No one claiming to be a natural-born descendant of another person shall be considered as such unless the claimant and the purported parent had established a child-parent relationship prior to the time in question and they had lived together, while the claimant was a minor, as child and parent in the same household. The purpose of this paragraph is to prevent someone from successfully claiming to be a person's child although never acknowledged to be such and it shall apply notwithstanding any provision of law to the contrary.

G. All references made, and all nouns and pronouns used herein, shall be construed in the singular or plural, and in such gender, as the sense and circumstances require.

H. Wherever in this Will the word "Code" is used, it shall be construed to mean the Internal Revenue Code of 1986, as amended. Any reference to a section of the Code shall be deemed to refer to such section or to any section of similar import.

I. Wherever in this Will the words "trust institution" are used, they shall be construed to mean a corporation or other organization which is authorized to act as trustee of both lifetime and testamentary trusts, and which shall, at the time of appointment, be administering trust assets valued at not less than two hundred fifty million ($250,000,000) dollars.

ARTICLE XVII

My fiduciaries, upon request, but not more often than annually, shall provide to each beneficiary of my estate and of any trust administered by them, statements setting forth the

receipts and disbursements of principal and income and the assets on hand at the commencement and expiration of the period covered by such statements. The written approval of such statements by the then living adult income beneficiary or beneficiaries, whichever shall be applicable, shall be final and binding upon all who are then or may thereafter become entitled to any part of the assets, as to all matters and transactions shown on the statements. Anything herein contained shall not preclude my fiduciaries, from time to time, from rendering an accounting or from submitting an accounting to a court for settlement, as they shall deem advisable.

ARTICLE XVIII

With respect to any trust created hereunder which shall have a single current income beneficiary, if at any time after the death of my wife, MARY JONES, and after taking into account the age, maturity and competence of such beneficiary, my trustees (other than such beneficiary) shall determine it to be in his or her best interest to terminate such trust and distribute to him or her, outright and free of trust, the entire remaining principal thereof, my trustees may do so, whereupon such trust shall terminate and the rights of any other beneficiaries or remaindermen in such trust shall cease. In making such decision: (i) my trustees shall take into account the relationship of commissions and expenses to the value of the principal of such trust, and if they shall decide that the value of the trust does not warrant the incurring of such commissions and expenses said decision shall be considered a proper reason for termination pursuant to this Article; and (ii) my trustees shall take into account the then existing and anticipated future status of the Federal estate and generation-skipping transfer taxes, and any applicable State estate, generation-skipping transfer and inheritance taxes, and if they shall conclude that the existence of any such tax probably was, but probably is no longer, a principal reason for the existence of the trust, said conclusion also shall be considered a proper reason for termination pursuant to this Article.

ARTICLE XIX

Any trust created hereunder which shall be substantially identical to any other trust created hereunder, or to any trust created under the Last Will and Testament of my wife, MARY JONES, or to any trust created by either of us prior to death, may, in the discretion of my trustees, be merged into such other trust, or they may accept a merger of such other trust into the substantially identical trust created hereunder, if my trustees shall determine the same advisable to facilitate the administration thereof, to reduce the expense of operation thereof, or any other reason they shall deem to be in the best interests of the beneficiary thereof.

ARTICLE XX

To the extent permitted by law, if any beneficiary or remainderman under this Will, or any person who would succeed to any of my property by intestate succession, shall, directly or indirectly, by legal proceedings or otherwise, challenge or contest this Will or any of its provisions, or shall attempt in any way to oppose or set aside the probate of this Will or impair or invalidate any of the provisions I have made in it, (i) any bequest to, or other provision for, that beneficiary or remainderman under this Will shall be revoked and shall be disposed of in the same manner as if the contesting beneficiary or remainderman, his or her spouse and all of his or her descendants had predeceased me and (ii) such beneficiary, remainderman or person otherwise entitled to succeed to any of my property by intestate succession, his or her spouse and all of his or her descendants shall also be deemed to have predeceased me and shall not succeed to any of my property by intestate succession.

I also direct that no portion of my estate shall be used to pay the legal fees and other expenses incurred by any of the aforesaid persons who shall, directly or indirectly, by legal proceedings or otherwise, challenge or contest this Will or any of its provisions, or shall attempt in any way to oppose or set aside the probate of this Will or impair or invalidate any of the provisions I have made in it, whether or not any such action shall be successful. In addition, to the extent permitted by law, it is also my wish that the legal fees and other expenses incurred by my estate in successfully defending any such action be paid by the person bringing such action.

ARTICLE XXI

If at the time of my death I shall have any power of appointment over any property, I hereby exercise such power and direct that such property be disposed of in the same manner as my residuary estate.

ARTICLE XXII

My trustees shall have the right to collect and receive, for the benefit of any trust created hereunder, the proceeds of any policies of insurance on my life made payable to my testamentary trustees, as well as the proceeds of any other death benefits, of whatsoever nature, made so payable, and any other money or property, or interest therein, receivable by them as a result of my death, or otherwise, and my trustees may execute appropriate proofs of death and claims for such assets, as well as receipts and releases therefor. To the extent permitted by law, all such assets shall be exempt from, and shall not be used in payment of, any of my debts, funeral costs, estate administration expenses and transfer taxes. All such assets shall be held as part of the principal of the trust or trusts created hereunder, and, unless otherwise specified in the appropriate beneficiary designation, shall be administered pursuant to Article IV hereof; provided, however, that any such assets which would have been paid to my wife, MARY JONES, but as a result of disclaimer by her, are paid to my trustees, shall be held and administered as part of the "Disclaimed Share", pursuant to the provisions of Article IX hereof.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this day of , 2013.

_____(L.S.)
TOM JONES

The foregoing Will, consisting of twenty-four (24) pages, was signed, sealed, published and declared by the said Testator, TOM JONES, as and for his Last Will and Testament, in the presence of us, who, in his presence, at his request, and in the presence of each other, all being present at the same time, have hereunto subscribed our names as witnesses.

_____ _____
Witness Address

_____
_____ _____
Witness Address

_____

STATE OF NEW JERSEY)
ss:
COUNTY OF)

We, TOM JONES, the testator, and
and , the witnesses, whose names are signed to the attached or foregoing instrument, being duly sworn, do hereby declare to the undersigned authority that the testator signed and executed the instrument as his Last Will and that he had signed willingly, and that he executed it as his free and voluntary act for the purposes therein expressed; and that each of the witnesses, in the presence and hearing of the testator, signed the Will as witness and that to the best of his or her knowledge the testator was at that time 18 years of age or older, of sound mind and under no constraint or undue influence.

_____
TOM JONES, Testator

_____
, Witness

_____
, Witness

Subscribed, sworn to and acknowledged before me by TOM JONES, the testator, and subscribed and sworn to before me by
and , witnesses, this day of
, 2013.

_____

DISCLAIMER TRUST WILL

OUTRIGHT TO SPOUSE
WITH TRUST FOR CHILDREN
AND COMMON DISASTER PROVISIONS*

LAST WILL AND TESTAMENT

OF

AMY GREENSLEEVE

I, AMY GREENSLEEVE, residing at 90 Penny Lane, Changewater, New Jersey 08826, being of sound mind, memory and understanding, do make, publish and declare the following to be my Last Will and Testament, hereby revoking all Wills and Codicils heretofore made by me:

ARTICLE I

I appoint my husband, STEVE GREENSLEEVE, as the person to control my funeral and burial arrangements. If STEVE shall predecease me, or shall be unable or unavailable to act, for any reason whatsoever, I appoint my sister, HEATHER STEELE, as his successor.

ARTICLE II

A. I appoint my husband, STEVE GREENSLEEVE, as executor of this my Last Will and Testament. If STEVE shall fail to qualify, or having qualified shall cease to serve, as executor, due to his death or any other reason whatsoever, I appoint my sister, HEATHER STEELE, as his successor. If HEATHER also shall fail to qualify, or having qualified shall cease to serve, as executor, due to her death or any other reason whatsoever, I appoint my brother-in-law, DONALD GREENSLEEVE, as her successor.

The last serving executor shall have the right, by an instrument in writing or by Last Will and Testament, to appoint any individual(s) and/or trust institution of his or her choice as successor executor(s).

B. I appoint my husband, STEVE GREENSLEEVE, and my brother-in-law, DONALD GREENSLEEVE, as trustees of the trusts created hereunder. If STEVE shall fail to qualify, or having qualified shall cease to serve, as a trustee due to his death or any other reason whatsoever, I appoint my sister, HEATHER STEELE, as his successor. If HEATHER also shall fail to qualify, or having qualified shall cease to serve, as a trustee, due to her death or any other reason whatsoever (other than removal pursuant to Article XI hereof), I appoint my brother, KEVIN LYNCH, as her successor. If DONALD also shall fail to qualify, or having qualified

* Provided by Shoobe & Bakarich, P.C., Paramus, New Jersey

shall cease to serve, as a trustee, due to his death or any other reason (other than removal pursuant to Article XI hereof), I appoint my sister-in-law, LESLIE STEVENS, as his successor.

If at any time STEVE shall be serving as sole trustee of any trust created hereunder, he, by an instrument in writing, shall appoint any individual(s) and/or trust institution of his choice as co-trustee(s) of such trust, to serve together with him.

The last serving trustee of a trust created hereunder shall have the right, by an instrument in writing or by Last Will and Testament, to appoint any individual(s) and/or trust institution of his or her choice as successor trustee(s) of such trust.

C. If my husband, STEVE GREENSLEEVE, shall predecease me, and I shall die during the minority of any child or children of mine, I appoint my sister and brother-in-law, HEATHER and JIM STEELE, as guardians of any such child or children during the remainder of their minority. If both HEATHER and JIM shall fail to qualify as guardians, or having qualified shall cease to serve, due to death or any other reason whatsoever, during the minority of any child or children of mine, I appoint my cousin and her husband, STACY and CRAIG NORTON, as their successors.

Anything in the foregoing paragraph of this subarticle C to the contrary notwithstanding, (i) if JIM shall not be married to HEATHER at the time when they are to serve as guardians, or shall thereafter cease to be married to her, either through divorce or death, then JIM shall not serve, or shall cease to serve, as a guardian, whichever shall be applicable, and HEATHER, if living, shall serve alone, and (ii) if CRAIG shall not be married to STACY at the time when they are to serve as guardians, or shall thereafter cease to be married to her, either through divorce or death, then CRAIG shall not serve, or shall cease to serve, as a guardian, whichever shall be applicable, and STACY, if living, shall serve alone.

The last serving guardian shall have the right, by an instrument in writing or by Last Will and Testament, to appoint successor guardian(s) of his or her choosing.

D. I direct that no bond or other security shall be required of my executor, trustees or guardians, or any of them, or any successors thereto, in any jurisdiction in which they may be called upon to act.

E. The written instruments referred to in subarticles A, B and C hereof shall be executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey.

ARTICLE III

I direct my executor to pay, as soon as convenient after my death, all of my debts, the expenses of my last illness, my funeral and related expenses and the expenses of administering my estate. Notwithstanding the foregoing, my executor shall not pay any debt of mine secured by property owned by me (including a life insurance policy), it being my intention either that

said property shall pass subject to such indebtedness or, if the property shall be a life insurance policy, that any such debt shall first be satisfied out of the proceeds of such policy.

ARTICLE IV

A. It is my intention to prepare a written statement, to be dated and signed by me, disposing of certain of my personal effects, jewelry and other items of tangible personal property, which statement may be revised and/or superseded from time to time. All items listed in the statement last signed by me prior to my death I hereby bequeath to the beneficiaries, as specified therein, who shall survive me.

B. I bequeath all of my personal effects, jewelry, automobiles, household furnishings, equipment and bric-a-brac not disposed of pursuant to the written statement referred to in subarticle A above, to my husband, STEVE GREENSLEEVE, if he shall survive me, or if he shall predecease me, I bequeath the same to those of my children who shall survive me, in as nearly equal shares as feasible, to be allocated among them as they shall mutually agree, or in the absence of such agreement, as my executor, in his discretion, shall determine, giving due regard to the preferences of such children.

If any such child of mine shall not then be of legal age, my executor shall set aside so much of such child's share of such property as he shall determine I would wish to have preserved for such child, and shall dispose of the balance as he shall deem advisable, adding the proceeds thereof to such child's share of my residuary estate, or, if applicable, to the trust into which such child's share of my residuary estate shall be converted, to be treated as part of the initial principal thereof. The portion of such property so set aside for any minor child may, in the discretion of my executor, be placed in storage until such child shall attain legal age, and/or delivered to his or her legal guardians, and/or preserved for him or her in such other manner as my executor, in his discretion, shall deem advisable.

C. If neither my husband, STEVE GREENSLEEVE, nor any of my children, shall survive me, the bequest in subarticle B hereof shall lapse, and the aforesaid property shall be added to my residuary estate and distributed as hereinafter provided.

D. If my husband, STEVE GREENSLEEVE, shall survive me, I bequeath all of my interests in the New Jersey Pick-6 Lotto Prize from the drawing held on July 4, 2013 to him. If STEVE shall predecease me, I bequeath all of my interests in the New Jersey Pick-6 Lotto Prize from the drawing held on July 4, 2013 to my trustees, hereinabove named, to be administered by such trustees pursuant to subarticle B or C of Article V hereof, whichever shall be applicable.

ARTICLE V

All of the rest, residue and remainder of my estate, of every nature and description, real, personal and mixed, wheresoever situated, remaining after payment of the debts and expenses specified in Article III hereof (referred to herein as my "residuary estate"), I bequeath as follows:

A. If my husband, STEVE GREENSLEEVE, shall survive me, I bequeath my residuary estate to him.

B. If my husband, STEVE GREENSLEEVE, shall predecease me, and any descendant of mine shall survive me, I bequeath my residuary estate to my trustees, hereinabove named, who shall add the same to any life insurance proceeds or other death benefits, and any other money or property, or interest therein, received by them as a result of my death, or otherwise, and my trustees shall divide such assets into a sufficient number of equal shares so that there shall be set aside one such share for the benefit of each child of mine who shall survive me, and one such share for the benefit of the descendants surviving me collectively of each child of mine who shall predecease me, to be allocated among them per stirpes.

Each share allocated to a child of mine, and each portion of a share allocated to a descendant of a deceased child of mine, shall be held by my trustees as a separate trust for the benefit of the person for whom it shall have been allocated, for the following uses and purposes:

1. Until the attainment of the age of twenty-one (21) years by the beneficiary of the trust, my trustees, at any time or times that they shall deem it advisable, may apply for the benefit of the beneficiary, or pay over to him or her, so much, all or none of the net income of the trust as my trustees, in their discretion, shall deem advisable.

2. From and after the attainment of the age of twenty-one (21) years by the beneficiary of the trust, and until the termination thereof, my trustees shall apply for the benefit of the beneficiary, or pay over to him or her, all of the net income of the trust, at convenient intervals, but not less often than quarter-annually.

3. Prior to the distribution of all of the principal of the trust, my trustees, at any time or times that they shall deem it advisable, may apply for the benefit of the beneficiary thereof, or pay over to him or her, such sum or sums out of the principal of the trust (including the whole thereof) as my trustees, in their discretion, shall deem advisable.

4. Upon the attainment of the age of twenty-five (25) years by the beneficiary of the trust, my trustees shall pay over and distribute to him or her one-third (1/3) of the then remaining principal of the trust; upon the attainment of the age of thirty (30) years by the beneficiary, my trustees shall pay over and distribute to him or her one-half (½) of the then remaining principal thereof; and upon the attainment of the age of thirty-five (35) years by the beneficiary, my trustees shall pay over and distribute to him or her all of the then remaining principal thereof, together with all undistributed income, whereupon the trust shall terminate. If upon the establishment of the trust the beneficiary thereof shall then have either (i) attained age twenty-five (25) but not age thirty (30), or (ii) attained age thirty (30) but not age thirty-five (35), my trustees shall pay over and distribute to him or her either (i) one-third (1/3) or (ii) two-thirds (2/3) of the initial principal thereof, respectively, and only the balance shall be held in trust pursuant hereto; and if upon the establishment of the trust the beneficiary shall then have attained age thirty-five (35), the entire principal thereof shall then be paid over and distributed to him or her, and no portion thereof shall be held in trust hereunder.

5. If the beneficiary of the trust shall die before attaining the age of thirty-five (35) years, the principal of the trust remaining at his or her death (together with all undistributed income) shall be paid over and distributed to his or her then living descendants, per stirpes, and in default of such descendants, the same shall be paid over and distributed to those of the beneficiary's siblings who shall then be living and to the then living descendants of any sibling of the beneficiary who shall then be deceased, per stirpes; and in default of such siblings and descendants of a deceased sibling, to the then living descendants of that child of mine who shall be the ancestor of the beneficiary, per stirpes, and in default of such ancestor's descendants, to those of my children who shall then be living and to the then living descendants of any child of mine who shall then be deceased, per stirpes; provided, however, that: (i) any sums thus payable to any person for whose benefit a trust created hereunder shall then still be in existence shall be added to the principal of such trust, and shall be held and distributed as part thereof, and (ii) any sums thus payable to any person who shall then be under the age of thirty-five (35) years and for whose benefit there shall not then be in existence a trust created hereunder, shall be held in trust for the benefit of such person in accordance with the provisions of paragraphs 1 through 5 of this subarticle B; and provided, further, that if none of my children, and no descendant of any deceased child of mine, shall then be living, the then remaining principal and undistributed income of the shall be paid over and distributed as set forth in subarticle C hereof, as if (i) the same were part of my residuary estate, (ii) my husband, STEVE GREENSLEEVE, and all of my descendants had predeceased me and (iii) I had died at the time of the death of the beneficiary of the trust.

C. If neither my husband, STEVE GREENSLEEVE, nor any descendant of mine, shall survive me, I bequeath my residuary estate to those of my nieces and nephews and those of STEVE's nieces and nephews who shall survive me, in equal shares. At the time of execution of this Will, such nieces and nephews are: JOHN STEVENS, HENRY STEVENS, LOUIS STEELE, GREG STEELE and TRACY LYNCH.

Any life insurance proceeds, or other death benefits, received by my trustees shall also be paid over and distributed as provided in this subarticle C, unless otherwise specified in the appropriate beneficiary designation.

D. If I and my husband, STEVE GREENSLEEVE, shall die at the same time, within one hundred twenty (120) hours of each other or under such circumstances that the order of our deaths cannot be determined with certainty, then for all purposes of this trust agreement, or otherwise, he shall be deemed to have predeceased me.

E. If my husband, STEVE GREENSLEEVE, shall survive me, he shall have the right to disclaim distribution to him of all or part of my residuary estate. This right may be exercised by STEVE by delivering to my executor, either in person or by certified mail, not later than nine (9) months after the date of my death, an instrument in writing, executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey, setting forth the amount so disclaimed, and if the same shall be less than the whole of my residuary estate, then it may be expressed either as a fraction thereof or as a monetary amount, or any combination thereof. Any exercise of such right shall be

irrevocable and shall also comply with the requirements of applicable Federal and State laws. Any amount so disclaimed, and any other money or property, or interest therein (including life insurance proceeds and other death benefits) which would have been paid to STEVE but, as a result of disclaimer by him, is paid to the trustees herein named, shall be held in trust, to be administered as if STEVE survived me, notwithstanding any contrary statutory provisions governing the distribution of disclaimed property, for the following uses and purposes:

1. Until the death of my husband, STEVE GREENSLEEVE, my trustees shall pay to him, or apply for his benefit, the entire net income of the trust, at convenient intervals, but not less often than quarter-annually. In addition, STEVE shall have the right, exercisable at any time and from time to time, upon written request to my trustees, to receive payment out of the principal of the trust of such amount or amounts as he shall deem reasonably necessary to provide for his health, maintenance and support. If, in the judgment of my trustees, other than STEVE, he is incapable of exercising such right, such trustees may exercise such right on STEVE's behalf while such incapacity shall exist. In the exercise of such right by my trustees, they shall consider that it is my primary intention that STEVE, for as long as he shall live, shall continue to enjoy the same standard of living that he enjoyed at the time of my death, and that preservation of principal for the remaindermen of the trust shall be subordinate thereto.

In addition to the aforementioned payments of net income and principal, STEVE shall have the absolute right, exercisable only during the last ten (10) days of each calendar year, upon written request to my trustees, to receive payment out of the principal of the trust of such amount or amounts as he shall desire, for any purpose at all, not to exceed in the aggregate, however, in any one calendar year, an amount equal to five (5%) percent of the value of the trust as of the last day of such calendar year. Amounts not so withdrawn in any one year shall not be added to or increase amounts subject to withdrawal in any succeeding year.

2. Upon the death of my husband, STEVE GREENSLEEVE, the then remaining principal of the trust (together with any undistributed income thereof) shall be paid over and distributed as set forth in subarticle B or C hereof, whichever shall be applicable, as if the same were part of my residuary estate, STEVE had predeceased me and I had died at the time of his death.

ARTICLE VI

Anything in this Will to the contrary notwithstanding:

A. Any trust created hereunder which shall be or become subject to a rule against perpetuities and which, by its terms, shall not have terminated on or before the date which is twenty-one (21) years after the death of the last survivor of myself, my husband, STEVE GREENSLEEVE, and those of my descendants who shall survive me, shall nevertheless terminate on such date, and the principal and undistributed income thereof shall thereupon be paid over and distributed free of trust to the then current income beneficiary thereof, or the current income beneficiaries thereof, in equal shares, if more than one.

B. For all purposes of this Will other than subarticles A, B and C of Article IV hereof:

1. If any beneficiary hereunder, other than my husband, STEVE GREENSLEEVE, shall survive me but shall die within ninety (90) days of my death, such beneficiary shall be deemed to have predeceased me.

2. If any beneficiary hereunder shall survive my husband, STEVE GREENSLEEVE, but shall die within ninety (90) days of his death, such beneficiary shall be deemed to have predeceased STEVE.

ARTICLE VII

A. Except as specifically provided to the contrary in this subarticle A, all transfer taxes payable with respect to property passing under this Will shall be paid out of my residuary estate, without apportionment, except that any transfer tax determined with reference to my relationship to the recipient of the property giving rise to such tax shall be charged to such property or recipient and shall not be paid out of my residuary estate. For purposes of this subarticle A, property received by my trustees other than from my executor shall not be considered to have passed under this Will.

Pursuant to the provisions of subarticle E of Article V hereof, a certain trust may be established for the benefit of my husband, STEVE GREENSLEEVE. If any portion of such trust shall be subject to transfer taxes, the taxes attributable to such portion shall be paid therefrom.

B. It is my intention that all transfer taxes payable with respect to property passing other than under this Will shall be paid by the recipient thereof, and, if paid by my executor, shall be recovered from such recipient if my executor shall deem it reasonably feasible to do so. My executor shall not be liable to my estate or to any person interested therein if my executor shall not deem it reasonably feasible to recover such taxes, and my executor shall have no obligation to pursue recovery under such circumstances. If my executor shall come into possession of any property distributable to a beneficiary from whom my executor shall have a right of recovery pursuant to this subarticle B, my executor may pay, on behalf of the beneficiary, the amount of recoverable taxes and charge the same to such property or sell any part of such property to produce cash to satisfy the recovery right.

If an asset of my estate is valued for transfer tax purposes higher than the amount received by my estate due to the application of Code Section 2703 or otherwise, and if the purchaser or purchasers of such asset, or the owner or owners of the purchaser, receive any bequest under this Will, then to the extent such person or persons are benefitted, directly or indirectly, by the purchase, such benefit shall be deemed to be property passing other than under this Will for purposes of this subarticle B. The same principle shall apply if any gift tax is included in my gross estate pursuant to Code Section 2035(b), with the recipient of the gift being treated as a purchaser.

C. If any transfer taxes are to be paid out of, or by the recipient of, specifically identified property pursuant to subarticle A hereof, the taxes attributable to each such property shall be a pro rata portion of the total transfer taxes payable with respect to all property subject to such taxes passing under this Will, except that any transfer tax determined with reference to my relationship to the recipient of the property giving rise to such tax shall be charged to such property or recipient and not allocated pro rata as aforesaid.

D. The transfer taxes attributable to the property referred to in subarticle B hereof shall be the amount by which the total of such taxes payable exceeds the total of such taxes which would have been payable had such property not been subject to transfer taxes, the same to be allocated among the various interests in such property pro rata, except that any transfer tax determined with reference to my relationship to the recipient of the property giving rise to such tax shall be charged to such property or recipient and not allocated pro rata as aforesaid.

E. Whenever transfer taxes with respect to property passing under this Will are payable from specified property, or by the recipient thereof, in accordance with the provisions of this Article VII, my executor may withhold distribution of a portion of such property to secure payment thereof, and may make payment on behalf of the recipient or make whatever other arrangements my executor shall deem advisable to assure that the taxes are paid. If the recipient also receives property other than under this Will, the foregoing authority to withhold distribution of property passing under this Will shall extend to the transfer taxes payable with respect to such property passing outside of this Will.

F. When used in this Will, the term "transfer taxes" shall be deemed to include all taxes payable by reason of property passing upon my death, whether labeled estate taxes, inheritance taxes, death taxes, succession taxes, transfer taxes, or otherwise, and whether imposed by the Federal government, any state, city or municipality, or otherwise, including interest and penalties thereon. Such term shall not be deemed to include taxes imposed on generation-skipping transfers pursuant to Code Section 2601 et seq. or any other statute of similar import, whether imposed by the Federal government, any state, city or municipality, or otherwise, which taxes, including interest and penalties thereon, shall be paid as provided in Section 2603 of the Code, or in any other statute of similar import.

G. Nothing contained in this Article VII shall be deemed to be a direction that my estate recover or not recover from the recipient of property included in my gross estate by reason of Section 2044 of the Code the amount specified in Section 2207A of the Code, it being my intention that my executor shall make such decision in accordance with such criteria, as he, in his discretion, shall deem appropriate.

H. A person (the "payor") receiving assets as a result of my death (whether or not received pursuant to this Will) may be obligated to pay a transfer tax (often called, and referred to herein as, an "inheritance tax") and also may be charged with a portion of another transfer tax (often called, and referred to herein as, an "estate tax"). Such inheritance tax payment may reduce the estate tax liability of my estate, a portion of which reduction could, in the absence of this subarticle H, inure to the benefit of beneficiaries other than the payor. Anything in this

Article VII to the contrary notwithstanding, any such reduction shall be applied first to reduce (but not below zero) the amount of estate tax charged to the payor, with any balance being applied as it would have been had this subarticle H not existed.

I. To the extent possible, no transfer taxes shall be paid from any property, whether passing (i) under this Will or otherwise or (ii) outright or in trust, which shall qualify for the Federal estate tax marital or charitable deduction.

J. My executor shall not be liable to any person or persons as a result of the exercise by him of any discretion granted pursuant to this Article VII, and any discretionary decisions made by my executor shall be conclusive and binding upon all persons interested therein.

ARTICLE VIII

A. Whenever, pursuant to the terms of this Will, my trustees are directed to hold any property in trust, my trustees shall hold the same; shall manage, administer, invest and reinvest the principal of the trust; shall collect and receive the income thereof; shall pay any and all expenses incident to the operation of such trust; and shall distribute the net income and principal thereof in the manner set forth.

B. Whenever, pursuant to the terms of this Will, my trustees are given discretion to pay to a beneficiary of any trust created hereunder, or to apply for his or her benefit, such portions of the income of the trust, and/or such sums out of the principal of the trust, as my trustees shall deem advisable, my trustees may make such payment or application solely to provide for such beneficiary's health, maintenance, support and education (which may include providing for the beneficiary's vocational, undergraduate and postgraduate education, and enabling the beneficiary to establish himself or herself in a business or profession or to purchase a home). In the case of income, my trustees shall add to the principal of the trust any such net income not so expended in any fiscal year of the trust.

C. Whenever, pursuant to the terms of this Will, my trustees are given discretion to pay to a beneficiary of any trust created hereunder, or to apply for his or her benefit, portions of the income and/or principal of the trust, (i) my trustees may take into consideration, but shall not be required to do so, any other income or property which may be available to such beneficiary, including the support which a spouse or parent does provide, or is obligated to provide, and (ii) in the case of a trust created for the benefit of a child or descendant of a deceased child of mine, my trustees shall consider that it is my desire and expectation that discretionary distributions from such trust shall be made in a manner designed to provide incentive to the beneficiary to seek and maintain employment and not be dependent upon the trust.

D. Whenever, pursuant to the terms of this Will, my trustees are given discretion to pay or to apply income or principal of a trust to or for the benefit of a minor, my trustees may, in their discretion, make such payment or application by expending the same directly for the benefit of such minor, or by paying the amount so to be paid or applied to the parent or legal guardian of such minor, or to the person with whom such minor may reside, or to a person standing in the

place of a parent to such minor, or to a Custodian for such minor designated by my trustees under an applicable Uniform Transfers to Minors Act or Uniform Gifts to Minors Act, or directly to such minor, or otherwise, as my trustees may, from time to time deem expedient, and the receipt of such minor or such other payee shall be a full acquittance to my trustees to the extent of such payments.

The provisions of this subarticle D shall also apply, to the extent applicable, whenever my trustees are given discretion to pay or apply income or principal of a trust to or for the benefit of a person who, in their judgment, is incapable of adequately managing such income or principal.

E. Whenever, pursuant to the terms of this Will, a person is given the discretion, whether in a fiduciary or non-fiduciary capacity, and whether alone or in conjunction with another person, to pay or to apply income and/or principal of any trust created hereunder to himself or herself or for his or her own benefit, and the purposes for which such payment or application can be made are not limited to such person's reasonable needs relating to health, maintenance, support and education, such purposes shall be deemed to be so limited, anything contained in this Will to the contrary notwithstanding. If such discretion is held by more than one person, any of whom is not a person to, or on whose behalf, income and/or principal can be so paid or applied, such other person or persons may exercise the discretion granted without reference to the limitations herein set forth. This subarticle shall not apply, however, to a right of withdrawal if the amount which could be withdrawn is limited so that it does not exceed the greater of the dollar or percentage limitation contained in Section 2514(e) of the Code.

F. Whenever, pursuant to the terms of this Will, a person is given the discretion, whether in a fiduciary or non-fiduciary capacity, and whether alone or in conjunction with another person, to pay or to apply income and/or principal of any trust created hereunder to or for the benefit of any other person, then the purposes for which such payment or application can be made shall be limited to those which do not relieve the person having such discretion of a legal obligation, whether for support or any other purpose, anything contained in this Will to the contrary notwithstanding. If such discretion is held by more than one person, any of whom is not a person whose legal obligation could be relieved by such payment or application, such other person or persons may exercise the discretion granted without reference to the limitation herein set forth.

ARTICLE IX

The interest of any beneficiary or remainderman in any trust created hereunder, either in income or in principal, or in both, shall not be subject to sale, assignment, pledge or transfer in any manner, and such interest shall not be liable or subject in any manner while in the possession of my trustees for the debts, contracts, obligations, liabilities, engagements, undertakings or torts of any such beneficiary or remainderman. No beneficiary or remainderman shall have the power in any manner to anticipate, charge or encumber his or her interest, either in income or in principal, or in both.

ARTICLE X

Any portion of my estate or of any trust created hereunder vesting in absolute ownership in a person who is a minor and/or who, in the judgment of my fiduciaries, is incapable of adequately managing such assets, may be held for the benefit of such person by my fiduciaries until such minor shall attain majority and/or, in the judgment of my fiduciaries, such incapacity shall cease to exist. During such period, my fiduciaries so holding such property shall have all the powers and authority herein granted to them with respect to my estate or any trust created hereunder; shall not be required to furnish bond or other security; and may pay or apply to or for the benefit of such person, in any applicable manner set forth in subarticle D of Article VIII hereof, such portions, or all, of the property so held, and/or the income earned thereon, as they shall deem to be in the best interest of such person, accumulating as principal any income not so expended in any year. The authority granted to my fiduciaries hereunder shall be in addition to, and not in lieu of, any other alternative available to them with respect to the administration and distribution of such portion of my estate or of such trust, and it shall be construed as a power only, and shall not operate to suspend the absolute ownership of such property, or of such accumulations of income, if any, by such person, nor shall it prevent the absolute vesting thereof in such person.

ARTICLE XI

A. If my husband, STEVE GREENSLEEVE, shall survive me and if a trust shall be created for his benefit pursuant to subarticle E of Article V hereof:

1. He shall have the right, at any time and from time to time, to remove any initial and/or successor trustee specifically named in subarticle B of Article II hereof as a co-trustee of such trust and either (i) allow the successor trustee(s), appointed in said subarticle B, to serve or (ii) appoint any individual(s) and/or, if no trust institution shall then be serving, any trust institution of his choice as successor co-trustee(s).

2. He shall have the right, from time to time, but in no event more than once during any five (5) year period, to remove any then serving trustee(s) of such trust (other than the initial and successor trustees specifically named in subarticle B of Article II hereof) and appoint any individual(s) and/or, if no trust institution shall then be serving, any trust institution of his choice as successor(s).

B. After the death of my husband, STEVE GREENSLEEVE, each adult beneficiary, with respect to the trust created hereunder for his or her own benefit, shall have the right, from time to time, but in no event more than once during any five (5) year period, to remove any then serving trustee(s) (other than the initial and successor trustees specifically named in subarticle B of Article II hereof) and, if no trust institution shall then be serving, appoint any trust institution of his or her choice as successor.

C. Any successor trustee (other than the successor trustees specifically named in subarticle B of Article II hereof) being appointed pursuant to subarticle A or B hereof (i) may not be related or subordinate [within the meaning of Section 672(c) of the Code] to the person making such appointment, and (ii) in the case of any trust institution, shall, at the time of appointment, be administering trust assets valued at not less than two hundred fifty million ($250,000,000) dollars.

D. The rights granted in subarticles A and B hereof may be exercised by an instrument in writing, executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey, and delivered to the then acting trustee(s), either in person or by prepaid, registered or certified mail, which instrument shall advise such trustee(s) of the appointed successor(s), if any, and shall state the effective date of removal, to be not less than thirty (30) days and not more than sixty (60) days after delivery. On such effective date, or as soon thereafter as may be reasonably feasible, the trustee(s) being removed shall then turn over to the remaining co-trustee(s) and/or appointed successor(s), if any, all funds then held by such trustee(s) in the trust or trusts involved, in cash or in kind or partly in cash and partly in kind, in the discretion of the trustee(s) being removed, reserving therefrom such amount as such trustee(s) shall deem reasonably necessary to cover the expenses of such removal, including any applicable termination commissions. The trustee(s) being removed shall have the right to demand and receive, prior to releasing any funds to the remaining co-trustee(s) and/or appointed successor(s), if any, written approval of such trustee's or trustees' statements or final accounting by the then living adult income beneficiary or beneficiaries, whichever shall be applicable, which shall have the same force and effect as an approved accounting pursuant to Article XV hereof. In lieu thereof, such trustee(s) may submit said final accounting to a court for settlement, and in either event may postpone delivery of funds to the remaining co-trustee(s) and/or appointed successor(s), if any, until such statements or account, judicial or otherwise, shall have been approved.

ARTICLE XII

In the administration of my estate, and any trust created hereunder, my fiduciaries shall have the following powers, in addition to the powers vested in them by law, which in each and every instance may be exercisable by them at such times (if at all), in such manner, and in accordance with such criteria, as they, in their discretion, shall deem appropriate:

A. To retain any property, real, personal or mixed, whether owned by me at the time of my death or subsequently purchased or acquired by my fiduciaries, for such length of time as they shall deem proper, regardless of the nature of such property and regardless of whether the same shall be productive of income, and to receive and accept, at any time and from time to time, from any person or persons, including the fiduciary of any other estate or trust, any additions to my estate or any trust created hereunder in the form of cash, stock, securities or other property, real, personal or mixed, provided that such additions are acceptable to my fiduciaries.

B. To make such investments and reinvestments of principal and accumulated income as they may consider proper, and to retain cash or the proceeds from the sale of any

assets until such time or times as they deem it appropriate to invest such funds, so long as the requirements (other than diversification) of any applicable Prudent Investor Act (or equivalent) are satisfied. My fiduciaries may make their decision regarding diversification based upon such criteria as they, in their sole discretion, shall deem advisable, including, but not limited to, tax considerations, and my trustees shall incur no liability of any kind as a result of their decision whether or not to diversify.

C. To purchase or otherwise acquire, and to sell, exchange, mortgage, lease, grant and accept options and easements with respect to and otherwise deal with, any property, real, personal and mixed, improved or unimproved, at public or private sale, for cash or on credit, or partly for cash and partly on credit, and upon such terms and conditions as they may deem proper. No purchaser, upon any sale or other disposition, shall be bound to see to the application of monies or property arising therefrom or to inquire into the validity, expediency or propriety of any such sale or other disposition. Any leases or options entered into or granted with respect to real or personal property held hereunder may be for such period (whether or not the same extends beyond the actual or probable duration of my estate or of any trust created hereunder) as my fiduciaries shall deem advisable.

D. To manage, maintain, alter, develop, improve, abandon and otherwise deal with all property held by them, whether real, personal or mixed, and to do all such acts and to exercise all rights, powers and privileges, although not specifically mentioned herein, with respect to such property as may be legally done or exercised by any person owning similar property in his own right.

E. To pay, extend, renew, modify, compromise, assign, litigate, alter, release or forgive, upon such terms and conditions, with or without consideration, as they shall deem advisable, or submit to arbitration or any other form of alternate dispute resolution, any obligation or claim, including taxes, either in favor of or against my estate, or any trust created hereunder.

F. To borrow money or property, either upon the security of any or all of the assets of my estate or of any trust created hereunder, or without security or otherwise, upon such terms and conditions and for such purposes in connection with the administration of my estate or of any trust created hereunder, including not by way of limitation the purchase of improved or unimproved real or personal property, as to them shall seem proper, and to make any loans, in such amounts, upon such terms, and to such individuals or entities, as may be deemed advisable, provided such loans bear reasonable interest and are adequately secured.

G. To invest in, and/or to participate in the formation of, any corporation, partnership (general or limited), joint venture, limited liability company or other business organization, for such purposes, and for such periods of time, as they shall deem advisable, and to purchase shares of stock or other ownership interests therein, and to contribute to the capital thereof, and lend thereto, any assets of my estate or of any trust created hereunder; and to enter into or refuse to enter into any dissolution, liquidation, merger, consolidation, recapitalization, reorganization or other change with respect to any corporation or other such business venture the stock or other ownership interest in which is held by them, and to make exchanges of securities or other interest

therein; and to exercise all voting rights with respect to such investment, in person or by proxy, and to enter into voting trusts and other agreements regulating the ownership and disposition thereof, whether or not the same extends beyond the actual or probable duration of my estate or of any trust created hereunder, all upon such terms and conditions as they shall deem advisable.

H. To continue the operation of any business which I shall own or in which I shall be engaged at the time of my death, and to engage in and operate any other business, whether as a shareholder, partner, member, sole proprietor or otherwise, and to apply to the conduct of any such business any assets of my estate or of any trust created hereunder; and to dissolve, sell (for cash or on credit or partly for cash and partly on credit) or otherwise terminate any such business, all upon such terms and conditions as they shall deem advisable. No loss whatever resulting to my estate or to any trust created hereunder, through the ownership or operation by my fiduciaries of any business, whether the same be carried on as a corporation, partnership, proprietorship, limited liability company or otherwise, shall be chargeable against my fiduciaries personally. Nothing contained herein shall relieve my fiduciaries from the obligation to comply with any agreement entered into by me prior to my death regarding the sale or disposition of any interest in any business held by me at the time of my death.

I. To engage attorneys, accountants, agents, investment counsel and other advisers in connection with the administration of my estate and any trust created hereunder, and to pay expenses incurred thereby.

J. To hold investments in the name of my fiduciaries, or in bearer form, or in the name of a nominee without disclosing a fiduciary relationship, and, with respect to any acting corporate fiduciary, to hold and administer any property in a common trust fund.

K. To set up reasonable reserves for depreciation and/or depletion.

L. To postpone the distribution of income earned during the administration of my estate for such period of time (not to extend beyond the period reasonably required for such administration) as they shall deem proper.

M. To make partial distributions of the principal of my estate, subject to adjustments resulting from the conclusion of any tax proceedings affecting my estate, and to divide and distribute my estate or any trust created hereunder in cash or in kind or partly in cash and partly in kind, without regard to differences in the composition of the shares or the tax bases of the assets distributed.

N. To hold the interest of two or more trusts, parts or shares created under this Will in consolidated funds, without any physical division of the investments, but such consolidation of investments shall not operate to merge the legal or beneficial interests in such separate trusts, parts or shares.

O. To make whatever elections or choices as shall be available to them respecting my last income tax return and any gift tax returns, including the filing of joint returns and

consenting to gifts made by my spouse being treated as made one-half by me, and to pay all tax liabilities incurred thereby.

P. To execute and deliver all documents, contracts and instruments necessary or advisable in connection with the administration of my estate and any trust created hereunder.

Q. To retain within my estate, or within any trust created hereunder, beyond the date it otherwise would have terminated, such assets as they shall deem appropriate to allow my estate, or any such trust, to be deemed not to have terminated for the purpose of petitioning the United States Tax Court with respect to any assessed Federal tax deficiency. Such action can be taken with respect to my estate only if consented to in writing by the beneficiaries receiving at least half of the value of my residuary estate, and can be taken with respect to any trust created hereunder only if consented to in writing by the remainderman thereof (or both of them if there shall be two, or a majority of them if there shall be more than two).

R. To treat or not to treat as an expense of administering my estate, the costs of any ancillary or similar proceedings with respect to my estate and any costs incurred in connection with the preservation, protection and delivery of assets of my estate, including assets specifically bequeathed.

S. To allocate receipts and disbursements of my estate or any trust created hereunder between income and principal thereof in such a manner as my fiduciaries shall deem advisable, so long as the requirements of any applicable Principal and Income Act or equivalent are satisfied, except that during the lifetime of my husband, STEVE GREENSLEEVE, no allocation or allocations shall be made with respect to any portion of my estate or of any trust created hereunder which could prevent the same from qualifying for the Federal estate tax marital deduction.

ARTICLE XIII

In the administration of my estate, and any trust created hereunder, I direct that:

A. My fiduciaries shall not personally be liable for any loss which may occur to my estate or to any trust herein created as a result of the exercise of, or the refusal to exercise, any of the powers or discretions vested in them, so long as such exercise or refusal to exercise is made in good faith.

B. My fiduciaries shall not be disqualified from acting hereunder or from exercising any power granted herein because they may hold an interest in property in which my estate or any trust created hereunder shall also hold an interest, or be a creditor of my estate, or be an employee or agent of, or the holder of an interest in, any business, sole proprietorship, partnership, joint venture, association, corporation, limited liability company or otherwise, in which my estate or any trust created hereunder may hold an interest, or by reason of the fact that they may also be serving as the trustees of any trust established by me during my lifetime.

C. If my fiduciaries decide in good faith that there is uncertainty as to the necessity for including particular items in my estate for transfer tax purposes, or particular items in any income or gift tax returns, they may exclude such items. My fiduciaries shall not be personally liable for any tax, interest or penalty imposed, or for any loss incurred, as a result of such decision.

D. If applicable, my fiduciaries are authorized in their discretion:

(i) to consent to the election or revocation of the election by any corporation to be an S corporation for Federal, State and other income tax purposes;

(ii) to make or refrain from making the election provided for in Section 1361(e) of the Code, so that a trust will be treated as an "electing small business trust" even if, as a result thereof, the income taxes payable by the trust and/or any beneficiary thereof are increased;

(iii) to make or refrain from making the election provided for in Section 2056(b)(7) of the Code, so that all or a portion of qualified terminable interest property shall qualify for the Federal estate tax marital deduction;

(iv) to elect or not to elect an installment payment of Federal estate taxes pursuant to Section 6166 of the Code, and to post bond and/or create liens on assets of my estate as required in connection therewith, and to distribute assets of my estate so encumbered;

(v) to elect or not to elect to deduct all or part of the expenses of administration of my estate and losses incurred during the settlement of my estate in the computation of the Federal or state income tax liability of my estate;

(vi) to elect or not to elect to value my estate for transfer tax purposes as of a date other than the date of my death;

(vii) to elect or not to elect the application of Section 2032A of the Code with respect to qualified real property;

(viii) to elect or not to elect to disclaim all or part of transfers or bequests made to me prior to my death by other persons;

(ix) to exercise or refrain from exercising any right, election or option in connection with the Generation Skipping Transfer tax provided for in Chapter 13 (Section 2601 et seq.) of the Code, including, but not limited to, the right to allocate or not to allocate the GST exemption provided for in Sections 2631 and 2632 of the Code to any applicable property or disposition, including dispositions made by me prior to death, and to make disparate allocations thereof to similar properties or dispositions;

(x) to elect or not to elect to treat any portion of a payment of estimated tax made with respect to any trust created hereunder as a payment made by a beneficiary of such trust (in equal or unequal shares if there shall be more than one) and to consider any amount so treated as a distribution to such beneficiary;

(xi) to elect or not to elect, in whole or in part, the application of Section 2057 of the Code (or any section of similar import) with respect to any qualified family-owned business interest, and they shall not be required to elect a larger amount under said Section in order to pay a smaller tax to the extent the election reduces the applicable exclusion amount under Section 2010 of the Code;

(xii) to elect or not to elect to treat a qualified revocable trust as part of my estate pursuant to Section 645 of the Code;

(xiii) to elect or not to elect to disclaim all or part of any power or discretion held by my fiduciaries in a fiduciary capacity, and to determine whether or not such disclaimer shall be binding upon, and shall constitute a disclaimer by, any or all successor or substitute fiduciaries;

(xiv) to exercise or refrain from exercising any other election or option in connection with the computation of the transfer tax and income tax liabilities of my estate.

In the exercise of the discretion in clauses (i) through (xiv) hereof, my fiduciaries are to be guided by their opinion of what action will serve the best interests of my estate, and one or more of the beneficiaries thereof, and such discretion can be exercised without prior permission or approval of the court having jurisdiction of this Will. Furthermore, such consent and elections and options can be granted, made or exercised, or not, even though the result may be (i) the creation of liabilities; (ii) the shifting of interests in property between or among beneficiaries; and/or (iii) the fact that certain of the beneficiaries of my estate may incur a gain, while other beneficiaries of my estate may suffer a loss, but my fiduciaries may, if they deem it equitable, require adjustment among the various bequests contained herein and among the various beneficiaries of my estate, as a result of, or as a condition precedent to, the exercise of such discretion.

E. If pursuant to any provisions of this Will a trust would be established to which any part of my GST exemption [provided for in Section 2631(a) of the Code] would be allocated (hereinafter referred to as a "GST Trust"), and if after such allocation the inclusion ratio of such trust for generation skipping transfer tax purposes would not be zero, my fiduciaries may, but shall not be required to, establish two separate trusts, each to be administered in accordance with the provisions applicable to the GST Trust, with one trust having an inclusion ratio of one and the other trust having an inclusion ratio of zero. Assets that would have constituted the GST Trust shall be allocated between the two separate trusts as necessary to establish the prescribed inclusion ratios, and shall be valued for such purpose as of the date of allocation.

In addition, if pursuant to any provisions of this Will any portion of any trust created hereunder is required to be added to the principal of any other trust created hereunder (such latter trust being hereinafter referred to as the "recipient trust") and if the inclusion ratios (for generation skipping transfer tax purposes) of such trusts are not identical, then my fiduciaries, in lieu of making such addition, may, but shall not be required to, hold such portion in a separate trust, to be administered in accordance with the provisions applicable to the recipient trust.

In further addition, if pursuant to any provision of this Will a trust has been established that has an inclusion ratio of greater than zero and less than one, then my fiduciaries may, but shall not be required to, divide such trust into two separate trusts, provided that such division meets the definition of a "qualified severance" contained in Section 2642(a)(3) of the Code or Regulations promulgated pursuant thereto.

F. My fiduciaries may be employed and/or engaged in any capacity by, or render services to, my estate or any trust created hereunder, and/or may be employed and/or engaged by any corporation, proprietorship, joint venture, sole proprietorship, limited liability company or other entity in which my estate or any such trust may have an interest, and shall be entitled to receive and to retain (in addition to their remuneration for their services as fiduciaries herein) such compensation, perquisites and reimbursement of expenses in connection with such services, in such manner and upon such terms and conditions, as they, in their discretion, shall deem proper.

G. My fiduciaries may delegate discretion relating to the investment and management of estate or trust assets to an agent (including an entity affiliated with any trust institution serving as an executor or a trustee) and may do so without liability for the decisions, actions, omissions, neglect, misconduct or default of such agent, provided that such agent was selected and retained with reasonable care, skill and caution. My fiduciaries may pay such agent reasonable compensation for his, her or its services. Notwithstanding any statute or rule of law to the contrary, such compensation (other than of a fiduciary serving hereunder) shall not reduce any statutory commissions or other fees payable to my fiduciaries.

ARTICLE XIV

A. Wherever in this Will the words "executor", "trustees" and "fiduciaries" are used, they shall be construed to mean "executor, executors, executrix, executrices, personal representative, personal representatives, trustee, trustees and the survivor or survivors of them and their successor or successors in office."

B. Wherever in this Will the word "bequeath" is used, it shall be construed to mean "give, devise and bequeath."

C. Wherever in this Will the words "descendant" and "descendants" are used, they shall be construed to be synonymous with the word "issue."

D. Wherever in this Will the words "per stirpes" are used with reference to the descendants of any individual, they shall be construed to mean that the determination of such descendants begins with the children of such individual and that no distribution at any generational level shall be per capita.

E. For all purposes under this Will, whether for the determination of relationships or otherwise, (i) adopted children of mine shall be considered to have, and shall be given, the same status as natural-born children and (ii) adopted children of any other person shall be considered to have, and shall be given, the same status as natural-born children only if the child was a minor when adopted and lived while a minor (either before or after the adoption) as a regular member of the household of the adopting parent. All references in this Will to children or descendants of mine or any other person shall include, and it is my intention that this Will shall be effective notwithstanding the fact that there shall be, any child, children, descendant or descendants of mine or any other person born or adopted after the date of execution hereof.

No one claiming to be a natural-born descendant of another person shall be considered as such unless the claimant and the purported parent had established a child-parent relationship prior to the time in question and they had lived together, while the claimant was a minor, as child and parent in the same household. The purpose of this paragraph is to prevent someone from successfully claiming to be a person's child although never acknowledged to be such and it shall apply notwithstanding any provision of law to the contrary.

F. All references made, and all nouns and pronouns used herein, shall be construed in the singular or plural, and in such gender, as the sense and circumstances require.

G. Wherever in this Will the word "Code" is used, it shall be construed to mean the Internal Revenue Code of 1986, as amended. Any reference to a section of the Code shall be deemed to refer to such section or to any section of similar import.

H. Wherever in this Will the words “trust institution” are used, they shall be construed to mean a corporation or other organization which is authorized to act as trustee of both lifetime and testamentary trusts and which shall, at the time of appointment, be administering trust assets valued at not less than two hundred fifty million ($250,000,000) dollars.

ARTICLE XV

My fiduciaries, upon request, but not more often than annually, shall provide to each beneficiary of my estate and of any trust administered by them, statements setting forth the receipts and disbursements of principal and income and the assets on hand at the commencement and expiration of the period covered by such statements. The written approval of such statements by the then living adult income beneficiary or beneficiaries, whichever shall be applicable, shall be final and binding upon all who are then or may thereafter become entitled to any part of the assets, as to all matters and transactions shown on the statements. Anything herein contained shall not preclude my fiduciaries, from time to time, from rendering an

accounting or from submitting an accounting to a court for settlement, as they shall deem advisable.

ARTICLE XVI

With respect to any trust created hereunder which shall have a single current income beneficiary, if at any time after the death of my husband, STEVE GREENSLEEVE, and after taking into account the age, maturity and competence of such beneficiary, my trustees (other than such beneficiary) shall determine it to be in his or her best interest to terminate such trust and distribute to him or her, outright and free of trust, the entire remaining principal thereof, my trustees may do so, whereupon such trust shall terminate and the rights of any other beneficiaries or remaindermen in such trust shall cease. In making such decision: (i) my trustees shall take into account the relationship of commissions and expenses to the value of the principal of such trust, and if they shall decide that the value of the trust does not warrant the incurring of such commissions and expenses said decision shall be considered a proper reason for termination pursuant to this Article; and (ii) my trustees shall take into account the then existing and anticipated future status of the Federal estate and generation-skipping transfer taxes, and any applicable State estate, generation-skipping transfer and inheritance taxes, and if they shall conclude that the existence of any such tax probably was, but probably is no longer, a principal reason for the existence of the trust, said conclusion also shall be considered a proper reason for termination pursuant to this Article.

ARTICLE XVII

Any trust created hereunder which shall be substantially identical to any other trust created hereunder, or to any trust created under the Last Will and Testament of my husband, STEVE GREENSLEEVE, or to any trust created by either of us prior to death, may, in the discretion of my trustees, be merged into such other trust, or they may accept a merger of such other trust into the substantially identical trust created hereunder, if my trustees shall determine the same advisable to facilitate the administration thereof, to reduce the expense of operation thereof, or any other reason they shall deem to be in the best interests of the beneficiary thereof.

ARTICLE XVIII

To the extent permitted by law, if any beneficiary or remainderman under this Will, or any person who would succeed to any of my property by intestate succession, shall, directly or indirectly, by legal proceedings or otherwise, challenge or contest this Will or any of its provisions, or shall attempt in any way to oppose or set aside the probate of this Will or impair or invalidate any of the provisions I have made in it, (i) any bequest to, or other provision for, that beneficiary or remainderman under this Will shall be revoked and shall be disposed of in the same manner as if the contesting beneficiary or remainderman, his or her spouse and all of his or her descendants had predeceased me and (ii) such beneficiary, remainderman or person otherwise entitled to succeed to any of my property by intestate succession, his or her spouse and

all of his or her descendants shall also be deemed to have predeceased me and shall not succeed to any of my property by intestate succession.

I also direct that no portion of my estate shall be used to pay the legal fees and other expenses incurred by any of the aforesaid persons who shall, directly or indirectly, by legal proceedings or otherwise, challenge or contest this Will or any of its provisions, or shall attempt in any way to oppose or set aside the probate of this Will or impair or invalidate any of the provisions I have made in it, whether or not any such action shall be successful. In addition, to the extent permitted by law, it is also my wish that the legal fees and other expenses incurred by my estate in successfully defending any such action be paid by the person bringing such action.

ARTICLE XIX

If at the time of my death I shall have any power of appointment over any property, I hereby exercise such power and direct that such property be disposed of in the same manner as my residuary estate.

ARTICLE XX

My trustees shall have the right to collect and receive, for the benefit of any trust created hereunder, the proceeds of any policies of insurance on my life made payable to my testamentary trustees, as well as the proceeds of any other death benefits, of whatsoever nature, made so payable, and any other money or property, or interest therein, receivable by them as a result of my death, or otherwise, and my trustees may execute appropriate proofs of death and claims for such assets, as well as receipts and releases therefor. To the extent permitted by law, all such assets shall be exempt from, and shall not be used in payment of, any of my debts, funeral costs, estate administration expenses and transfer taxes. All such assets shall be held as part of the principal of the trust or trusts created hereunder, and, unless otherwise specified in the appropriate beneficiary designation, shall be administered pursuant to subarticle B or C of Article V hereof, whichever shall be applicable; provided, however, that any such assets which would have been paid to my husband, STEVE GREENSLEEVE, but as a result of disclaimer by him, are paid to my trustees, shall be held and administered as part of the principal of the trust created under subarticle E of said Article V.

ARTICLE XXI

In the event of the death of both my husband, STEVE GREENSLEEVE, and myself during the minority of any child or children of mine, if the guardians of such minor child or children, hereinabove appointed or appointed pursuant to the Last Will and Testament of STEVE, either (i) shall deem it advisable to take up residence in the residence owned and occupied by the survivor of STEVE and myself prior to his or my death (the "prior residence"), or (ii) shall deem it necessary to obtain larger living quarters in order to accommodate my minor children in the guardians' household without discomfort to all members of such household, then

my trustees either (i) shall hold such prior residence as an asset of the several trusts administered pursuant to subarticle B of Article V hereof for the benefit of my children, in equal shares, until my youngest surviving child shall attain legal age, or until such earlier time as said guardians shall no longer deem it advisable to reside therein or (ii) shall pay a portion of the expenses of acquiring such larger living quarters, whether the same shall consist of a new house or an addition to the guardians' present house. The decision as to whether to take up residence in the prior residence or to obtain larger quarters shall be made solely by said guardians.

My trustees shall pay all expenses of maintenance and upkeep incurred in connection with such prior residence, including, but not limited to, taxes, insurance, repairs, mortgage interest and amortization, utilities, etc. The decision as to the portion of the expenses of acquiring and maintaining such larger living quarters to be paid by my trustees shall be made solely by said trustees, based upon my intention that the cost thereof fairly attributable to the need created by the acceptance of my minor children in the guardians' household shall be borne by my trustees. Such expenses and, if requested by said guardians, expenses for a housekeeper, shall be paid from and charged solely to the trusts administered pursuant to subarticle B of Article V hereof, for the benefit of my children, in equal shares, whether or not all of them shall be minors or shall reside with said guardians.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this day of , 2013.

_____(L.S.)
AMY GREENSLEEVE

The foregoing Will, consisting of twenty-three (23) pages, was signed, sealed, published and declared by the said Testatrix, AMY GREENSLEEVE, as and for her Last Will and Testament, in the presence of us, who, in her presence, at her request, and in the presence of each other, all being present at the same time, have hereunto subscribed our names as witnesses.

_____ _____
Witness Address

_____
_____ _____
Witness Address

_____

STATE OF NEW JERSEY)
ss:
COUNTY OF)

We, AMY GREENSLEEVE, the testatrix, and
and , the witnesses, whose names are signed to the attached or foregoing instrument, being duly sworn, do hereby declare to the undersigned authority that the testatrix signed and executed the instrument as her Last Will and that she had signed willingly, and that she executed it as her free and voluntary act for the purposes therein expressed; and that each of the witnesses, in the presence and hearing of the testatrix, signed the Will as witness and that to the best of his or her knowledge the testatrix was at that time 18 years of age or older, of sound mind and under no constraint or undue influence.

_____
AMY GREENSLEEVE, Testatrix

_____
, Witness

_____
, Witness

Subscribed, sworn to and acknowledged before me by AMY GREENSLEEVE, the testatrix, and subscribed and sworn to before me by
and ,
witnesses, this day of , 2013.

_____

POUR OVER WILL
TO REVOCABLE TRUST

LAST WILL AND TESTAMENT

OF

JOHN DOE

I, JOHN DOE, residing at 329 Nowhere Lane, Boonton, New Jersey 07005, being of sound mind, memory and understanding, do make, publish and declare the following to be my Last Will and Testament, hereby revoking all Wills and Codicils heretofore made by me:

ARTICLE I

A. I appoint my wife, JANE DOE, as executor of this my Last Will and Testament. If JANE shall fail to qualify, or having qualified shall cease to serve, as executor, due to her death or any other reason whatsoever, I appoint my children, JOE DOE and TARA RAHBOOMTEAY, or the survivor of them, as her successor(s).

The last serving executor shall have the right, by an instrument in writing (executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey) or by Last Will and Testament, to appoint any individual(s) and/or trust institution of his or her choice as successor executor(s).

B. I direct that no bond or other security shall be required of my executor, or any successor thereto, in any jurisdiction in which she may be called upon to act.

ARTICLE II

I direct my executor to pay, as soon as convenient after my death, all of my debts, the expenses of my last illness, my funeral and related expenses and the expenses of administering my estate. Notwithstanding the foregoing, my executor shall not pay any debt of mine secured by property owned by me (including a life insurance policy), it being my intention either that said prop- erty shall pass subject to such indebtedness or, if the property shall be a life insurance policy, that any such debt shall first be satisfied out of the proceeds of such policy.

ARTICLE III

A. I bequeath all of my personal effects, jewelry and automobiles, and all of my household furnishings, equipment and bric-a-brac, to my wife, JANE DOE, if she shall survive me, or if she shall predecease me, then I bequeath the same to those of my children, JOE DOE and TARA RAHBOOMTEAY, who shall survive me, in as nearly equal shares as feasible, to be

allocated between them as my executor, in her discretion, shall determine, giving due regard to the preferences of such children.

B. If neither my wife, JANE DOE, nor either of my children, JOE DOE and TARA RAHBOOMTEAY, shall survive me, then the bequest in subarticle A hereof shall lapse, and the aforesaid property shall be added to my residuary estate and distributed as hereinafter provided.

ARTICLE IV

All of the rest, residue and remainder of my estate, of every nature and description, real, personal and mixed, wheresoever situated, remaining after payment of the debts and expenses specified in Article II hereof (referred to herein as my "residuary estate"), I bequeath to the Trustee of the JOHN DOE REVOCABLE TRUST executed on July 4, 2013 by and between myself as Grantor and myself as Trustee, to be added to the principal of the trust fund created thereunder, and thereafter to be administered as provided in said trust agreement, as amended from time to time prior to my death, it being my intention that my residuary estate, upon being added to the aforesaid trust fund, shall be treated in all respects as if it were a component part of the principal thereof.

B. If for any reason the aforesaid JOHN DOE REVOCABLE TRUST shall not be in existence at the time of my death, or if for any reason a court of competent jurisdiction shall declare this testamentary transfer to be invalid, then I direct that my residuary estate be held, managed, invested and reinvested by the same Trustee or the successor Trustee named in said trust, in exactly the same manner described in said trust, as such trust now exists or may be amended from time to time, as if the trust had been created in this Will and as if the terms of such trust had been set out in full in this Will.

ARTICLE V

A. All transfer taxes payable with respect to property passing under this Will shall be paid out of my residuary estate, without apportionment, except that any transfer tax determined with reference to my relationship to the recipient of the property giving rise to such tax shall be charged to such property or recipient and shall not be paid out of my residuary estate. For purposes of this subarticle A, property payable to the Trustee of the JOHN DOE REVOCABLE TRUST referred to in Article IV hereof pursuant to said Article IV shall not be considered to have passed under this Will.

B. All transfer taxes payable with respect to property payable to, or received by, the Trustee of the trust agreement referred to in Article IV hereof, whether pursuant to said Article IV or otherwise, shall be payable by such Trustee as set forth in said trust agreement.

C. Except as provided in subarticle B hereof, it is my intention that all transfer taxes payable with respect to property passing other than under this Will shall be paid by the recipient thereof, and, if paid by my executor, shall be recovered from such recipient if my executor shall

deem it reasonably feasible to do so. My executor shall not be liable to my estate or to any person interested therein if my executor shall not deem it reasonably feasible to recover such taxes, and my executor shall have no obligation to pursue recovery under such circumstances. If my executor shall come into possession of any property distributable to a beneficiary from whom my executor shall have a right of recovery pursuant to this subarticle C, my executor may pay, on behalf of the beneficiary, the amount of recoverable taxes and charge the same to such property or sell any part of such property to produce cash to satisfy the recovery right.

If an asset of my estate is valued for transfer tax purposes higher than the amount received by my estate due to the application of Code Section 2703 or otherwise, and if the purchaser or purchasers of such asset, or the owner or owners of the purchaser, receive any bequest under this Will, then to the extent such person or persons are benefitted, directly or indirectly, by the purchase, such benefit shall be deemed to be property passing other than under this Will for purposes of this subarticle C. The same principle shall apply if any gift tax is included in my gross estate pursuant to Code Section 2035(b), with the recipient of the gift being treated as a purchaser.

D. The transfer taxes attributable to the property referred to in subarticle C hereof shall be the amount by which the total of such taxes payable exceeds the total of such taxes which would have been payable had such property not been subject to transfer taxes, the same to be allocated among the various interests in such property pro rata, except that any transfer tax determined with reference to my relationship to the recipient of the property giving rise to such tax shall be charged to such property or recipient and not allocated pro rata as aforesaid.

E. Whenever transfer taxes with respect to property passing under this Will are payable from specified property, or by the recipient thereof, in accordance with the provisions of this Article V, my executor may withhold distribution of a portion of such property to secure payment thereof, and may make payment on behalf of the recipient or make whatever other arrangements my executor shall deem advisable to assure that the taxes are paid. If the recipient also receives property other than under this Will, the foregoing authority to withhold distribution of property passing under this Will shall extend to the transfer taxes payable with respect to such property passing outside of this Will.

F. When used in this Will, the term "transfer taxes" shall be deemed to include all taxes payable by reason of property passing upon my death, whether labeled estate taxes, inheritance taxes, death taxes, succession taxes, transfer taxes, or otherwise, and whether imposed by the Federal government, any state, city or municipality, or otherwise, including interest and penalties thereon. Such term shall not be deemed to include taxes imposed on generation-skipping transfers pursuant to Code Section 2601 et seq. or any other statute of similar import, whether imposed by the Federal government, any state, city or municipality, or otherwise, which taxes, including interest and penalties thereon, shall be paid as provided in Section 2603 of the Code, or in any other statute of similar import.

G. Nothing contained in this Article V shall be deemed to be a direction that my estate recover or not recover from the recipient of property included in my gross estate by reason of Section 2044 of the Code the amount specified in Section 2207A of the Code, it being my intention

that my executor shall make such decision in accordance with such criteria, as she, in her discretion, shall deem appropriate.

H. A person (the "payor") receiving assets as a result of my death (whether or not received pursuant to this Will) may be obligated to pay a transfer tax (often called, and referred to herein as, an "inheritance tax") and also may be charged with a portion of another transfer tax (often called, and referred to herein as, an "estate tax"). Such inheritance tax payment may reduce the estate tax liability of my estate, a portion of which reduction could, in the absence of this subarticle H, inure to the benefit of beneficiaries other than the payor. Anything in this Article V to the contrary notwithstanding, any such reduction shall be applied first to reduce (but not below zero) the amount of estate tax charged to the payor, with any balance being applied as it would have been had this subarticle H not existed.

I. To the extent possible, no transfer taxes shall be paid from any property, whether passing (i) under this Will or otherwise or (ii) outright or in trust, which shall qualify for the Federal estate tax marital or charitable deduction

J. My executor shall not be liable to any person or persons as a result of the exercise by her of any discretion granted pursuant to this Article V, and any discretionary decisions made by my executor shall be conclusive and binding upon all persons interested therein.

K. In the event that my residuary estate is insufficient for the payment of all transfer taxes chargeable thereto, my executor is hereby authorized, from time to time, to request in writing from the Trustee of the JOHN DOE REVOCABLE TRUST referred to in Article IV hereof such sum or sums as my executor shall deem necessary, in order to permit the payment of such transfer taxes. In no event, however, shall any portion thereof be paid from any assets of the aforesaid trust which shall qualify for the Federal estate tax marital or charitable deduction, whether or not my residuary estate shall be sufficient therefor. Payment of any sums requested hereunder shall be in the discretion of said Trustee, who shall not be required to honor any such request.

ARTICLE VI

Any portion of my estate vesting in absolute ownership in a person who is a minor and/or who, in the judgment of my executor, is incapable of managing such assets, may be held for the benefit of such person by my executor until such person shall attain majority and/or, in the judgment of my executor, such incapacity shall cease to exist. During such period, my executor so holding such property shall have all the powers and authority herein granted to her with respect to my estate; shall not be required to furnish bond or other security; and may pay or apply to or for the benefit of such person such portions, or all, of the property so held, and/or the income earned thereon, as she shall deem to be in the best interest of such person, accumulating as principal any income not so expended in any year. To the extent applicable, my executor may, in her discretion, make such payment or application by expending the same directly for the benefit of such person or by paying the amount so to be paid or applied to the parent or legal guardian of such person, or to another individual with whom such person may reside, or to an individual standing in

the place of a parent to such person, or to a Custodian for such person designated by my executor under an applicable Uniform Transfers to Minors Act or Uniform Gifts to Minors Act, or directly to such person, or otherwise, as my executor may, from time to time deem expedient, and the receipt of such person or such other payee shall be a full acquittance to my executor to the extent of such payments. The authority granted to my executor hereunder shall be in addition to, and not in lieu of, any other alternative available to her with respect to the administration and distribution of such portion of my estate, and it shall be construed as a power only, and shall not operate to suspend the absolute ownership of such property, or of such accumulations of income, if any, by such person, nor shall it prevent the absolute vesting thereof in such person.

ARTICLE VII

In the administration of my estate my executor shall have the following powers, in addition to the powers vested in her by law, which in each and every instance may be exercisable by her at such times (if at all), in such manner, and in accordance with such criteria, as she, in her discretion, shall deem appropriate:

A. To retain any property, real, personal or mixed, whether owned by me at the time of my death or subsequently purchased or acquired by my executor, for such length of time as she shall deem proper, regardless of the nature of such property and regardless of whether the same shall be productive of income, and to receive and accept, at any time and from time to time, from any person or persons, including the fiduciary of any other estate or trust, any additions to my estate in the form of cash, stock, securities or other property, real, personal or mixed, provided that such additions are acceptable to my executor.

B. To make such investments and reinvestments of principal and accumulated income as she may consider proper, and to retain cash or the proceeds from the sale of any assets until such time or times as she shall deem it appropriate to invest such funds, so long as the requirements (other than diversification) of any applicable Prudent Investor Act (or equivalent) are satisfied. My executor may make her decision regarding diversification based upon such criteria as she, in her sole discretion, shall deem advisable, including, but not limited to, tax considerations, and my executor shall incur no liability of any kind as a result of their decision whether or not to diversify.

C. To purchase or otherwise acquire, and to sell, exchange, mortgage, lease, grant and accept options and easements with respect to and otherwise deal with, any property, real, personal and mixed, improved or unimproved, at public or private sale, for cash or on credit, or partly for cash and partly on credit, and upon such terms and conditions as she may deem proper. No purchaser, upon any sale or other disposition, shall be bound to see to the application of monies or property arising therefrom or to inquire into the validity, expediency or propriety of any such sale or other disposition. Any leases or options entered into or granted with respect to real or personal property held hereunder may be for such period (whether or not the same extends beyond the actual or probable duration of my estate as my executor shall deem advisable.

D. To manage, maintain, alter, develop, improve, abandon and otherwise deal with all property held by her, whether real, personal or mixed, and to do all such acts and to exercise all rights, powers and privileges, although not specifically mentioned herein, with respect to such

property as may be legally done or exercised by any person owning similar property in his own right.

E. To pay, extend, renew, modify, compromise, assign, litigate, alter, release or forgive, upon such terms and conditions, with or without consideration, as she shall deem advisable, or submit to arbitration, any obligation or claim, including taxes, either in favor of or against my estate.

F. To borrow money or property, either upon the security of any or all of the assets of my estate, or without security or otherwise, upon such terms and conditions and for such purposes in connection with the administration of my estate, including not by way of limitation the purchase of improved or unimproved real or personal property, as to her shall seem proper, and to make any loans, in such amounts, upon such terms, and to such individuals or entities, as may be deemed advisable, provided such loans bear reasonable interest and are adequately secured.

G. To invest in, and/or to participate in the formation of, any corporation, partnership (general or limited), joint venture, limited liability company or other business organization, for such purposes, and for such periods of time, as she shall deem advisable, and to purchase shares of stock or other ownership interests therein, and to contribute to the capital thereof, and lend thereto, any assets of my estate; and to enter into or refuse to enter into any dissolution, liquidation, merger, consolidation, recapitalization, reorganization or other change with respect to any corporation or other such business venture the stock or other ownership interest in which is held by her, and to make exchanges of securities or other interest therein; and to exercise all voting rights with respect to such investment, in person or by proxy, and to enter into voting trusts and other agreements regulating the ownership and disposition thereof, whether or not the same extends beyond the actual or probable duration of my estate, all upon such terms and conditions as she shall deem advisable.

H. To continue the operation of any business which I shall own or in which I shall be engaged at the time of my death, and to engage in and operate any other business, whether as a shareholder, partner, sole proprietor or otherwise, and to apply to the conduct of any such business any assets of my estate; and to dissolve, sell (for cash or on credit or partly for cash and partly on credit) or otherwise terminate any such business, all upon such terms and conditions as she shall deem advisable. No loss whatever resulting to my estate through the ownership or operation by my executor of any business, whether the same be carried on as a corporation, partnership, proprietorship, limited liability company or otherwise, shall be chargeable against my executor personally. Nothing contained herein shall relieve my executor from the obligation to comply with any agreement entered into by me prior to my death regarding the sale or disposition of any interest in any business held by me at the time of my death.

I. To engage attorneys, accountants, agents, investment counsel and other advisers in connection with the administration of my estate and to pay expenses incurred thereby.

J. To hold investments in the name of my executor, or in bearer form, or in the name of a nominee without disclosing a fiduciary relationship, and, with respect to any trust institution acting as a fiduciary, to hold and administer any property in a common trust fund.

K. To set up reasonable reserves for depreciation and/or depletion.

L. To postpone the distribution of income earned during the administration of my estate for such period of time (not to extend beyond the period reasonably required for such administration) as she shall deem proper.

M. To make partial distributions of the principal of my estate, subject to adjustments resulting from the conclusion of any tax proceedings affecting my estate, and to divide and distribute my estate in cash or in kind or partly in cash and partly in kind, without regard to differences in the composition of the shares or the tax bases of the assets distributed.

N To hold the interest of two or more parts or shares created under this Will in consolidated funds, without any physical division of the investments, but such consolidation of investments shall not operate to merge the legal or beneficial interests in such separate parts or shares.

O. To make whatever elections or choices as shall be available to her respecting my last income tax return and any gift tax returns, including the filing of joint returns and consenting to gifts made by my spouse being treated as made one-half by me, and to pay all tax liabilities incurred thereby.

P. To execute and deliver all documents, contracts and instruments necessary or advisable in connection with the administration of my estate.

Q. To retain within my estate beyond the date it otherwise would have terminated, such assets as she shall deem appropriate to allow my estate to be deemed not to have terminated for the purpose of petitioning the United States Tax Court with respect to any assessed Federal tax deficiency. Such action can be taken with respect to my estate only if consented to in writing by the beneficiaries receiving at least half of the value of my residuary estate.

R. To treat or not to treat as an expense of administering my estate, the costs of any ancillary or similar proceedings with respect to my estate and any costs incurred in connection with the preservation, protection and delivery of assets of my estate, including assets specifically bequeathed.

S. To allocate receipts and disbursements of my estate between income and principal thereof in such a manner as my executor shall deem advisable, so long as the requirements of any applicable Principal and Income Act or equivalent are satisfied.

ARTICLE VIII

In the administration of my estate I direct that:

A. My executor shall not be personally liable for any loss which may occur to my estate as a result of the exercise of, or the refusal to exercise, any of the powers or discretions vested in her, so long as such exercise or refusal to exercise is made in good faith.

B. My executor shall not be disqualified from acting hereunder or from exercising any power granted herein because she may hold an interest in property in which my estate shall also hold an interest, or be a creditor of my estate, or be an employee or agent of, or the holder of an interest in, any business, sole proprietorship, partnership, joint venture, association, corporation, limited liability company or otherwise, in which my estate may hold an interest, or by reason of the fact that she may also be serving as the trustee of any trust established by me during my lifetime.

C. If my executor shall decide in good faith that there is uncertainty as to the necessity for including particular items in my estate for transfer tax purposes, or particular items in any income or gift tax returns, she may exclude such items. My executor shall not be personally liable for any tax, interest or penalty imposed, or for any loss incurred, as a result of such decision.

D. If applicable, my executor is authorized in her discretion:

(i) to consent to the election or revocation of the election by any corporation to be an S corporation for Federal, State and income tax purposes;

(ii) to make or refrain from making the election provided for in Section 2056(b)(7) of the Code, so that all or a portion of qualified terminable interest property shall qualify for the Federal estate tax marital deduction;

(iii) to elect or not to elect an installment payment of Federal estate taxes pursuant to Section 6166 of the Code, and to post bond and/or create liens on assets of my estate as required in connection therewith, and to distribute assets of my estate so encumbered;

(iv) to elect or not to elect to deduct all or part of the expenses of administration of my estate and losses incurred during the settlement of my estate in the computation of the Federal or state income tax liability of my estate;

(v) to elect or not to elect to value my estate for transfer tax purposes as of a date other than the date of my death;

(vi) to elect or not to elect the application of Section 2032A of the Code with respect to qualified real property;

(vii) to elect or not to elect to disclaim all or part of transfers or bequests made to me prior to my death by other persons;

(viii) to exercise or refrain from exercising any right, election or option in connection with the Generation Skipping Transfer tax provided for in Chapter 13 (Section 2601 et seq.) of the Code, including, but not limited to, the right to allocate or not to allocate the GST exemption provided for in Sections 2631 and 2632 of the Code to any applicable property or

disposition, including dispositions made by me prior to death, and to make disparate allocations thereof to similar properties or dispositions,

(ix) to elect or not to elect, in whole or in part, the application of Section 2057 of the Code with respect to any qualified family-owned business interest, and she shall not be required to elect a larger amount under said Section in order to pay a smaller tax to the extent the election reduces the applicable exclusion amount under Section 2010 of the Code;

(x) to elect or not to elect to treat a qualified revocable trust as part of my estate pursuant to Section 645 of the Code; and

(xi) to exercise or refrain from exercising any other election or option in connection with the computation of the transfer tax and income tax liabilities of my estate.

In the exercise of the discretion in clauses (i) through (xi) hereof, my executor is to be guided by her opinion of what action will serve the best interests of my estate, and one or more of the beneficiaries thereof, and such discretion can be exercised without prior permission or approval of the probate court having jurisdiction of this Will. Furthermore, such consent and elections and options can be granted, made or exercised, or not, even though the result may be (i) the creation of liabilities; (ii) the shifting of interests in property between or among beneficiaries; and/or (iii) the fact that certain of the beneficiaries of my estate may incur a gain, while other beneficiaries of my estate may suffer a loss, but my executor may, if she shall deem it equitable, require adjustment among the various bequests contained herein and among the various beneficiaries of my estate, as a result of, or as a condition precedent to, the exercise of such discretion.

E. My executor may be employed and/or engaged in any capacity by, or render services to, my estate, and/or may be employed and/or engaged by any corporation, proprietorship, joint venture, sole proprietorship, limited liability company or other entity in which my estate may have an interest, and shall be entitled to receive and to retain (in addition to her remuneration for her services as executor herein) such compensation, perquisites and reimbursement of expenses in connection with such services, in such manner and upon such terms and conditions, as she, in her discretion, shall deem proper.

ARTICLE IX

A. Wherever in this Will the word "executor" is used, it shall be construed to mean "executor, executors, executrix, executrices, personal representative, personal representatives, and the survivor or survivors of them and their successor or successors in office."

B. Wherever in this Will the word "bequeath" is used, it shall be construed to mean "give, devise and bequeath."

C. Wherever in this Will the words "descendant" and "descendants" are used, they shall be construed to be synonymous with the word "issue."

D. Wherever in this Will the words "per stirpes" are used with reference to descendants of any individual, they shall be construed to mean that the that the determinatio such descendants begins with the children of such individual and that no distribution at generational level shall be per capita.

E. For all purposes under this Will, whether for the determination of relationshi otherwise, (i) adopted children of mine shall be considered to have, and shall be given, the s status as natural-born children and (ii) adopted children of any other person shall be considere have, and shall be given, the same status as natural-born children only if the child was a m when adopted and lived while a minor (either before or after the adoption) as a regular membe the household of the adopting parent. All references in this Will to children or descendant mine or any other person shall include, and it is my intention that this Will shall be effec notwithstanding the fact that there shall be, any child, children, descendant or descendants of r or any other person born or adopted after the date of execution hereof.

No one claiming to be a natural-born descendant of another person shal considered as such unless the claimant and the purported parent had established a child-pa relationship prior to the time in question and they had lived together, while the claimant w minor, as child and parent in the same household. The purpose of this paragraph is to pre someone from successfully claiming to be a person's child although never acknowledged t such and it shall apply notwithstanding any provision of law to the contrary.

F. All references made, and all nouns and pronouns used herein, shall be construe the singular or plural, and in such gender, as the sense and circumstances require.

G. Wherever in this Will the word "Code" is used, it shall be construed to mean Internal Revenue Code of 1986, as amended. Any reference to a section of the Code shal deemed to refer to such section or to any section of similar import.

H. Wherever in this Will the words "trust institution" are used, they shall be consti to mean a corporation or other organization authorized to act as executor under a Will and wl shall, at the time of appointment, be administering trust assets valued at not less than two hun fifty million ($250,000,000) dollars.

ARTICLE X

My executor, upon request, but not more often than annually, shall provide to e beneficiary of my estate, statements setting forth the receipts and disbursements of principal income and the assets on hand at the commencement and expiration of the period covered by s statements. The written approval of such statements by the then living adult residuary benefic or beneficiaries, whichever shall be applicable, shall be final and binding upon all who are the may thereafter become entitled to any part of the assets, as to all matters and transactions show the statements. Anything herein contained shall not preclude my executor, from time to ti

from rendering an accounting or from submitting an accounting to a court for settlement, as she shall deem advisable.

ARTICLE XI

To the extent permitted by law, if any beneficiary under this Will, or any person who would succeed to any of my property by intestate succession, shall, directly or indirectly, by legal proceedings or otherwise, challenge or contest this Will or any of its provisions, or shall attempt in any way to oppose or set aside the probate of this Will or impair or invalidate any of the provisions I have made in it, (i) any bequest to, or other provision for, that beneficiary under this Will shall be revoked and shall be disposed of in the same manner as if the contesting beneficiary, his or her spouse and all of his or her descendants had predeceased me and (ii) such beneficiary or person otherwise entitled to succeed to any of my property by intestate succession, his or her spouse and all of his or her descendants shall also be deemed to have predeceased me and shall not succeed to any of my property by intestate succession.

I also direct that no portion of my estate shall be used to pay the legal fees and other expenses incurred by any of the aforesaid persons who shall, directly or indirectly, by legal proceedings or otherwise, challenge or contest this Will or any of its provisions, or shall attempt in any way to oppose or set aside the probate of this Will or impair or invalidate any of the provisions I have made in it, whether or not any such action shall be successful. In addition, to the extent permitted by law, it is also my wish that the legal fees and other expenses incurred by my estate in successfully defending any such action be paid by the person bringing such action.

ARTICLE XII

If at the time of my death I shall have any power of appointment over any property, I hereby exercise such power and direct that such property be disposed of in the same manner as my residuary estate.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this day of , 2013.

_____

JOHN DOE

The foregoing Will, consisting of thirteen (13) pages, was signed, sealed, published and declared by the said Testator, JOHN. DOE, as and for his Last Will and Testament, in the presence of us, who, in his presence, at his request, and in the presence of each other, all being present at the same time, have hereunto subscribed our names as witnesses.

_____	_____
Witness	Address
	_____
_____	_____
Witness	Address
	_____

STATE OF NEW JERSEY)
ss:
COUNTY OF)

We, JOHN DOE, the testator, and
and , the witnesses, whose names are signed to the attached or foregoing instrument, being duly sworn, do hereby declare to the undersigned authority that the testator signed and executed the instrument as his Last Will and that he had signed willingly, and that he executed it as his free and voluntary act for the purposes therein expressed; and that each of the witnesses, in the presence and hearing of the testator, signed the Will as witness and that to the best of his or her knowledge the testator was at that time 18 years of age or older, of sound mind and under no constraint or undue influence.

_____
JOHN DOE, Testator

_____
, Witness

_____
, Witness

Subscribed, sworn to and acknowledged before me by JOHN DOE, the testator, and subscribed and sworn to before me by
and , witnesses, this day of
, 2013.

_____

SAMPLE WILL CLAUSES

NAME AND ADDRESS

IN THE NAME OF GOD, AMEN

I, _____, now residing at _____ in the City of _____, County of _____ and State of New Jersey, being of sound and disposing mind and memory, do hereby make, publish and declare this to be my Last Will and Testament, hereby revoking all Wills and Codicils at any time heretofore made by me.

PAY DEBTS

I order and direct my Executor (Executrix), hereinafter named, to pay my debts, funeral and testamentary expenses as soon after my decease as may be convenient. I also direct my Executor (Executrix) to pay any and all inheritance taxes that may be assessed against any beneficiary or beneficiaries in connection with my Will or my Estate.

CLAUSES CONCERNING MORTGAGED OR PLEDGED PROPERTY

I direct that any debt owned by me at the time of my death secured by a mortgage on any real property which I may own at the time, either individually or as a tenant by the entirety, or any debt secured by a pledge against any life insurance or other personal property owned by me, shall be treated and considered:

Either

(1) As a debt of my estate and shall be paid from my residuary personal property and shall not be charged to the person receiving such real estate or life insurance or other personal property;

(2) Not as a debt of my estate but shall be a charge on the beneficiary or surviving tenant taking such property and such person shall take the same subject to such mortgage, lien or other pledge existing at the time of my death.

TAX CLAUSES

I direct that all inheritance, succession, legacy and estate taxes and duties, state, federal, or otherwise, which may be assessed or imposed in any way by reason of my death with respect to any and all property taxable as, or as if, a part of my estate, be paid out of the residue of my estate as expenses of administration, and not as a charge on the beneficiary or beneficiaries of such property.

* * * * *

I direct that all inheritance, succession, legacy and estate taxes and duties, state, federal or otherwise, which may be assessed or imposed in any way by reason of my death with respect to any and all property taxable as, or as if, apart of my estate, be paid out of that one-half (1/2) portion of the residue of my estate, hereinbefore given in trust by paragraph NINTH of this Will, as expenses of administration and not as a charge on the beneficiary or beneficiaries of such property, provided, however, that each of the legatees named in paragraph FIFTH of this Will shall pay to my Executor his or her pro rata share of all federal and state taxes and duties of every kind levied or imposed on such legacy.

* * * * *

I direct that all inheritance, succession, legacy and estate taxes and duties, state, federal or otherwise, which may be assessed or imposed in any way by reason of my death with respect to any and all property taxable as, or as if, a part of my estate, other than any federal estate tax as described in Section 2032A of the Internal Revenue Code, as amended from time to time, be paid out of that portion of the residue of my estate, SHARE B, heretofore given, in trust, by paragraph ____ of this Will, or the entire residue of my estate if my wife, Susan Baxter, predeceases me, as expenses of administration and not as a charge on the beneficiary or beneficiaries of such property.

BEQUEST OF PERSONAL EFFECTS

I give, devise and bequeath to my wife, _____, if she shall survive me, all of my personal effects, jewelry, automobiles, household furnishings, equipment, bric-a-brac and any interest I may have in the residence property occupied by me at the time of my death. If my said wife shall not survive me, then this devise and bequest shall lapse and the said personal effects, jewelry, automobiles, household furnishings, equipment, bric-a-brac and interest in the residence property shall be added to my residuary estate and distributed as hereinafter provided.

BEQUEST OF TANGIBLE PERSONAL PROPERTY

I give and bequeath my tangible personal property, other than cash, to my surviving children, the division of the same to be in as nearly equal shares as is practicable as they may agree among or between themselves. If my said children are unable to agree upon a division of such property, then I direct my Executor to make division among or between my surviving children in as nearly equal shares as is practicable giving due regard to the personal preferences of my children. Such division by my Executor shall be in its absolute discretion and shall be conclusive and binding upon my surviving children. If any child or children of mine be a minor at the time for distribution of such tangible personal property then I authorize and empower my Executor to distribute to my husband, JOHN DOE, or to the guardian of such minor child, his or her respective share of such property and the delivery to my Executor of a refunding bond and release from my husband or the guardian of my child or children acknowledging the receipt on behalf of such minor child of his or her distributive share of such property shall be sufficient discharge therefor, shall be binding upon all persons including such minor child and shall exonerate my Executor from all responsibility, liability or accountability with respect thereto. I direct that all expenses in protecting such property and delivering the same be paid from my residuary estate as an administration expense thereof.

SPECIFIC BEQUEST OF CORPORATE STOCK

I give and bequeath to MARY ROE, Newark, New Jersey, if she survives me, 900 shares of General Motors Corp., $ 1.66-2/3 par value common stock, if owned by me at the time of my death. If there be any change in the capital structure of the said General Motors Corp. after the execution of this Will and prior to my death, then I bequeath such number of shares of stock of said General Motors Corp., or of its successor, as shall, in the sole judgment of my Executor, then be the equivalent of 900 shares of the present stock including, but not by way of limitation, any stock dividends accruing thereto, any stock purchased by me by the exercise of any rights thereon, or any stock received by me from said General Motors Corp. of any other corporation in exchange therefor upon the reorganization of said General Motors Corp. or upon its merger or consolidation with or acquisition by any other corporation. I direct that said shares of stock be delivered to the said MARY ROE as soon after my death as is practicable. If the said MARY ROE predeceases me, then the bequest herein given shall lapse and fall into and become part of my residuary estate.

BEQUEST TO GRANDCHILDREN

I give and bequeath the sum of One Thousand Dollars ($1,000.00) to each of my grandchildren who shall survive me. If any of my surviving grandchildren be a minor at the time for payment of his or her legacy, then I authorize and empower my Executor to pay to the parents, or either of them, or to the guardian of such minor, his or her legacy and the delivery to my Executor of a refunding bond and release from such parents, parent or guardian, acknowledging the receipt on behalf of such minor of his or her legacy, shall be a sufficient discharge therefor, shall be binding upon all persons, including said minor, and shall exonerate my Executor from all responsibility, liability and accountability with respect thereto.

OUTRIGHT BEQUEST

I give and bequeath the sum of Five Hundred Dollars ($500.00) to my daughter, _____, in the event that she survives me. In the event that my said daughter, _____ does not survive me, I give and bequeath the said sum of Five Hundred Dollars ($500.00) to my niece, _____, in the event that she survives me.

RESIDUARY

All the rest, residue and remainder of my estate, real, personal or mixed, of whatsoever kind and wheresoever the same may be situate, of which I may die seized or possessed, or to which I may be entitled at the time of my death, over which I have a power of appointment or any interest, I give, devise and bequeath to my wife, _____, in the event that she survives me for a period of ten days. In the event that my wife, _____, does not survive me for a period often days, I give, devise and bequeath my said residuary estate to my son, or to his issue in equal shares, *per stirpes,* in the event that my son does not survive me.

* * * * *

All the rest, residue and remainder of my estate, real, personal or mixed, of whatsoever kind and wheresoever the same may be situate, of which I may die seized or possessed, or to which I may be entitled at the time of my death, I give, devise and bequeath to my son, _____, and to my daughter, _____, share and share alike, or all to the survivor in the event that they do not both survive me, provided that if either or both of my children die before me leaving issue, him, her or them surviving, I give, devise and bequeath to the issue, *per stirpes,* the share or shares of my residuary estate which my said children or child would have received if living.

DISCLAIMER

All the rest of my estate, both real and personal, and wherever located, of which I may die seized or possessed, I give and appoint to my wife, _____, if she survives.

Provided, however, I empower my wife at any time, and from time to time, to disclaim or release any or all of her interest under this Will, and any interest so disclaimed or released shall be held in trust for her benefit, upon the terms set forth below. In addition, if my spouse disclaims her interest in any property passing outside my Will, with the result that the property then passes to my Trustee, such property shall be held in this same trust. The terms of this trust shall be:

(a) My Trustee shall pay to, or expend for the benefit of my wife the income of the trust in convenient installments, not less frequent that quarter-annually.

(b) My Trustee also shall pay to, or expend for the benefit of my wife such amounts from the principal of this trust as my Trustee, in its absolute discretion, may deem appropriate to provide for her maintenance, health (including medical, dental, hospital and nursing home expenses) and reasonable comfort in her accustomed manner of living.

(c) Upon the death of my wife, the principal of this trust as then constituted shall be distributed pursuant to Article _____ of this Will, as if my wife had not survived me, and I had died immediately after her death.

MINORS TRUST

In the event that either one or both (any one or more) of my said beneficiaries (is/are) under the age of eighteen (18) years at the time of my death, I give, devise and bequeath (his/hers/their) share(s) to my Executor, hereinafter named, IN TRUST NEVERTHELESS, for the following uses and purposes: to invest and reinvest the same and to collect the rents, issues and profits and to accumulate the income and to pay so much of the net income as may seem best to it in its absolute discretion toward the support, maintenance and education of my said beneficiary or beneficiaries, until they respectively attain the age of eighteen (18) years, at which time or times the balance remaining in said trust fund or funds shall be paid and transferred to said beneficiary or beneficiaries.

HAVING IN MIND

I am making this disposition of my estate having in mind my children, _____ and _____, and notwithstanding the birth of any other child or children.

ISSUE

In the event that any one or more of my children die before me leaving issue, (him/her/them) surviving, I give, devise and bequeath to the issue, in equal shares, *per stirpes,* the same share or shares which the parent or parents would have received if living.

CLAUSES REGARDING GUARDIANSHIP

If my wife, MARY ROE, predeceases me, or if we die as a result of the same common accident or disaster, or otherwise, under such circumstances as to render it doubtful whether she or I died first, then I nominate, constitute and appoint my son, JOHN ROE, the Testamentary Guardian of the person and property of my son, ROBERT ROE, and any other child or children born hereafter to me, during their respective minorities. I give to the said JOHN ROE, as Testamentary Guardian, full power and authority to sell and dispose of any and all property, real or personal, which may become part of said guardianship, either at public or private sale, and upon such terms and conditions as he shall deem for the best interests of the said guardianship and to make good and sufficient conveyances in the law therefor; and further, I direct that no bond shall be required of JOHN ROE for the administration of said guardianship in any jurisdiction.

* * * * *

In the event that any one or more of the beneficiaries hereunder are under the age of eighteen (18) years, I hereby empower my Executor to pay the legacies, hereinbefore bequeathed to them, to their natural guardian or guardians, or legal guardian or guardians, whose receipt shall be a sufficient discharge for the same, and I exonerate my Executor from all responsibility with respect to the application thereof.

CLAUSES INVOLVING SIMULTANEOUS DEATH

If my wife, MARY ROE, and I die as a result of the same common accident or disaster, or otherwise, under such circumstances as to render it doubtful whether my said wife or I died first, it shall be conclusively presumed, for the purpose of this Will, that my said wife survived me.

* * * * *

If any legatee, devisee or other beneficiary named or referred to in this Will and I die as a result of the same common accident or disaster, or otherwise, under such circumstances that it is difficult or impossible to determine who predeceased the other, then I direct that the terms and provisions of this Will shall be construed as though I had survived such person and that my estate shall be administered and distributed in all respects accordingly.

* * * * *

I give, devise and bequeath all the rest, residue and remainder of my estate, both real and personal, of or to which I am now or may hereafter become seized, possessed or entitled, to my wife, MARY ROE, if she be living thirty days after my death.

* * * * *

If my wife, MARY ROE, predeceases me or dies within thirty days after my death, then I give, devise and bequeath all the rest, residue and remainder of my estate, both real and personal, of or to which I am now or may hereafter become seized, possessed or entitled, to my hereinafter named Trustee, IN TRUST NEVERTHELESS, for the following uses and purposes:

CLAUSES CONCERNING CONTINUANCE OF TESTATOR'S BUSINESS

To continue or to permit the continuance of any business, incorporated or unincorporated, which I may own or in which I may have any interest at the time of my death, for such period as they shall deem advisable (including but without limitation the power to organize a corporation to carry on such business, by themselves or with others, to contribute all or part of the property of said business as capital to such corporation and to accept stock in the corporation in payment thereof, and to hold such stock for such period as they shall deem advisable); without limiting the generality of the foregoing, my fiduciaries are authorized to invest additional sums in any such business (even to the extent that my estate or any trust hereunder may be invested largely in such business), to act as or to select other persons to act as directors, officers or other employees of any such business (such persons to be compensated without regard to their being fiduciaries hereunder), and to make such other arrangements and exercise such powers in respect thereof as they shall deem advisable (including but without limitation the power to obtain or to refrain from obtaining patents on any invention of mine or to which I or they may have acquired the right of patent, and to license any person or corporation to use any such patent); and, if they shall deem it advisable, to liquidate any such business in such manner and upon such terms as they in their discretion shall deem advisable. My fiduciaries shall be entitled to reasonable compensation for any services rendered by them in respect of the operation of any such business, which compensation shall be in addition to the commissions allowed to then by law.

* * * * *

I give to my Executor and my Trustee, with respect to any business interests which I may own at the time of my death or which shall at any time constitute a part of my estate or any trust created hereunder, whether any such business interest is organized as a sole proprietorship, partnership or corporation, the following powers, in addition to those granted elsewhere in this Will:

A. To retain and continue any such business for such time as my Executor or my Trustee may deem advisable and to enlarge, diminish or change the scope or nature of the activities of any such business.

B. To direct, control, supervise, manage, operate or participate in the operation of any such business and to determine the manner and degree of its active participation in the management of any such business and to that end to delegate all or any of such powers to such persons as it may select, including, without limitation, any associate, director, officer or employee of such business.

C. To engage, compensate and discharge or, as the stockholders owning the stock of any such corporations, to vote to engage, compensate and discharge such managers, employees, agent, attorneys, accountants, consultants, or other representatives as it may deem advisable, including, without limitation, any person who is a beneficiary or individual fiduciary under this Will.

D. To sell, dissolve or liquidate all or any part of any such business at such time or times and upon such terms and conditions as it may deem advisable, and in connection therewith to make any such sale to any person who is a beneficiary or individual fiduciary under this Will.

E. To incorporate any such business and hold the stock as an asset of my estate or the trust in which such business interest was held.

F. With respect to the retention, continuance and disposition of any such business, to exercise all the rights and powers, although not herein specifically mentioned, which I would have were I to make the decision at the time of such exercise.

POWER OF SALE

I authorize and empower my Executor (Executrix), hereinafter named, to sell, mortgage, lease or otherwise dispose of or encumber any and all of the real estate of which I may die seized or possessed, at such terms and conditions as he/she/it shall deem in his/hers/its uncontrolled discretion, and to execute, acknowledge and deliver all proper writings, deeds, mortgages, conveyances and transfers therefor.

POWER OF SALE - EXECUTOR AND TRUSTEE

I authorize and empower my Executor(s) (and Trustee(s)), hereinafter named, to sell, mortgage, lease or otherwise dispose of or encumber any and all of the real estate of which I may die seized or possessed, at such times and on such terms and conditions as (they/it) shall deem best in (their/its) uncontrolled discretion without reference to necessity (either) for administrative purposes (or for support, maintenance or education of any beneficiary or beneficiaries), and to execute, acknowledge and deliver all proper writings, deeds, mortgages, conveyances and transfers therefor.

POWER TO DISTRIBUTE WITHOUT DUTY OF IMPARTIALITY

To make division, partition and distribution of my estate or trusts in cash or kind, or partly in each, and for the purpose of making such division, partition and distribution in kind, the assets selected by my Executor and Trustee shall be valued at their respective values on the date or dates of division, partition and distribution, and in making distribution in kind, to make such distribution in shares which may be composed of different kinds of property and to allocate equal or unequal, pro rata or non-pro rata, interests in specific property to such shares without regard to differences in the tax bases of such property.

SPENDTHRIFT CLAUSE

The interest of any beneficiary or remainderman in any trust created hereunder, either in income or in principal, or in both, shall not be subject to sale, assignment, pledge or transfer in any manner, and such interest shall not be liable or subject in any manner while in the possession of my trustees for the debts, contracts, obligations, liabilities, engagements, undertakings or torts of any such beneficiary or remainderman. No beneficiary or remainderman shall have the power in any manner to anticipate, charge or encumber his or her interest, either in income or in principal, or in both.

IN TERROREM CLAUSE

To the extent permitted by law, if any beneficiary under this Will shall, directly or indirectly, by legal proceedings or otherwise, challenge or contest this Will or any of its provisions, or shall attempt in any way to oppose or set aside the probate of this Will or impair or invalidate any of the provisions I have made in it, any bequest to, or other provision for, that beneficiary under this Will shall be revoked and shall be disposed of in the same manner as if the contesting beneficiary had predeceased me.

APPOINT EXECUTOR CORPORATION

I nominate, constitute and appoint, _____, a corporation organized under the laws of the State of New Jersey, having its principal office in the City of _____, County of _____ and State of New Jersey, Executor of (and Trustee under) this my Will, and I direct that no bond be required of it for the faithful performance of its duties.

APPOINT EXECUTOR/EXECUTRIX INDIVIDUALS

I nominate, constitute and appoint my wife, _____, Executrix of this my Will, and I direct that no bond be required of her for the faithful performance of her duties.

In the event that my said wife does not survive me, or qualify, I nominate, constitute and appoint my son, _____, Executor of this my Will, and I direct that no bond be required of him for the faithful performance of his duties.

APPOINT TRUSTEE

I nominate and appoint _____, Trustee of the trusts created in this my Last Will and Testament. In the event _____ does not survive me, or if he should fail to qualify, or having qualified, dies, resigns, or becomes incapacitated, then I nominate and appoint _____ Trustee in his place and stead.

I order and direct that no Trustee nominated or appointed by me shall be required to furnish any bond or other security as such, in the State of New Jersey, or elsewhere, or if a bond be required, such Trustee shall not be required to furnish any sureties thereon.

APPOINT GUARDIAN

In the event my said spouse, _____, does not survive me, or surviving me is incapable for any reason to act as Guardian of our minor children, I hereby nominate and appoint _____ Guardian of each of my minor children, to have exclusive control of their custody, care and education. In the event _____ does not survive me, or surviving me is incapable for any reason to act as Guardian of my minor children, I

hereby nominate and appoint _____ Guardian of each of my minor children, to have exclusive control of their custody, care and education.

I order and direct that no Guardian shall be required to furnish any bond or other security as such, in the State of New Jersey, or elsewhere, or if a bond be required, such Guardian shall not be required to furnish any sureties thereon, while serving as Guardian of my said children.

IN WITNESS WHEREOF

IN WITNESS WHEREOF, I have hereunto set my hand and seal this ____ day of , Two Thousand Thirteen.

_____ (LS)

ATTESTATION

Signed, sealed, published and declared by the above named Testator (Testatrix), as and for his (her) Last Will and Testament, in the presence of us, who at his (her) request and in his (her) presence and in the presence of each other, have hereto signed our names as subscribing witnesses.

_____

_____

ENTIRE ESTATE IN TRUST FOR SPOUSE

EXECUTORS CAN MAKE FULL OR PARTIAL QTIP ELECTION TO QUALIFY ALL OR SOME OF TRUST FOR MARITAL DEDUCTION WITH UNELECTED PORTION FOR NJ OR US EXEMPTION AMOUNT*

LAST WILL AND TESTAMENT

OF

ANTHONY SMITH

I, ANTHONY SMITH, residing at 123 Main, Clifton, New Jersey 07011, being of sound mind, memory and understanding, do make, publish and declare the following to be my Last Will and Testament, hereby revoking all Wills and Codicils heretofore made by me:

ARTICLE I

A. I appoint my daughters, MARY JANE SMITH and ERICA SMITH, as executors of this my Last Will and Testament. If MARY, ERICA or any successor executor shall fail to qualify, or having qualified shall cease to serve, as executor, due to death or any other reason whatsoever, I appoint, in succession, my son, MICHAEL SMITH, and my attorney, PETER J. BAKARICH, JR., as his or her successor, it being my intention, to the extent possible, that there shall be two executors serving hereunder at all times.

If at any time only one individual shall be serving as an executor hereunder, he or she, by an instrument in writing, shall appoint any individual(s) and/or trust institution of his or her choice as co-executor(s), to serve together with him or her.

B. I appoint my daughters, MARY JANE SMITH and ERICA SMITH, as trustees of the trusts created hereunder. If MARY, ERICA, or any successor trustee shall fail to qualify, or having qualified shall cease to serve, as a trustee, due to death or any other reason whatsoever (other than removal pursuant to Article VIII hereof), I appoint, in succession, my son, MICHAEL SMITH, and my attorney, PETER J. BAKARICH, JR., as his or her successor, it being my intention, to the extent possible, that there shall be two trustees serving hereunder at all times.

If at any time only one individual shall be serving as trustee of any trust created hereunder, he or she, by an instrument in writing, shall appoint any individual(s) and/or trust institution of his or her choice as co-trustee(s) of such trust, to serve together with him or her.

C. My attorney, PETER J. BAKARICH, JR., shall be entitled to both fiduciary fees and legal fees for his services, determined as if the individual co-fiduciary and the attorney were different parties, so that the fact that PETER shall be serving as fiduciary and attorney will neither increase nor decrease the total fees payable.

* Provided by Shoobe & Bakarich, P.C., Paramus, New Jersey

D. I direct that no bond or other security shall be required of my executors or trustees, or any of them, or any successors thereto, in any jurisdiction in which they may be called upon to act.

E. The written instruments referred to in subarticles A and B hereof shall be executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey.

ARTICLE II

I direct my executors to pay, as soon as convenient after my death, all of my debts, the expenses of my last illness, my funeral and related expenses and the expenses of administering my estate. Notwithstanding the foregoing, my executors shall not pay any debt of mine secured by property owned by me (including a life insurance policy), it being my intention either that said property shall pass subject to such indebtedness or, if the property shall be a life insurance policy, that any such debt shall first be satisfied out of the proceeds of such policy.

ARTICLE III

A. I bequeath all of my personal effects, jewelry and automobiles, and all of my household furnishings, equipment and bric-a-brac, to my wife, CATHY SMITH, if she shall survive me, or if she shall predecease me, I bequeath the same to those of my children, MARTIN SMITH, MARY JANE SMITH, MICHAEL SMITH, ROBERT SMITH and ERICA SMITH, who shall survive me, in as nearly equal shares as feasible, to be allocated among them as they shall mutually agree, and in the absence of such agreement, as my executors, in their discretion, shall determine, giving due regard to the preferences of such children.

B. If neither my wife, CATHY SMITH, nor any of my children, MARTIN SMITH, MARY JANE SMITH, MICHAEL SMITH, ROBERT SMITH, PATRICIA SMITH and ERICA SMITH, shall survive me, the bequest in subarticle A hereof shall lapse, and the aforesaid property shall be added to my residuary estate and distributed as hereinafter provided.

ARTICLE IV

All of the rest, residue and remainder of my estate, of every nature and description, real, personal and mixed, wheresoever situated, remaining after payment of the debts and expenses specified in Article II hereof (referred to herein as my "residuary estate"), I bequeath as follows:

A. If my wife, CATHY SMITH, shall survive me, I bequeath my residuary estate to my trustees, hereinabove named, who shall add the same to any life insurance proceeds or other death benefits, and any other money or property, or interest therein, received by them as a result of my death, or otherwise; and my trustees shall hold all such assets in trust; shall manage,

administer, invest and reinvest the principal of the trust; shall collect and receive the income thereof; shall pay any and all expenses incident to the operation of such trust; and shall distribute the net income and principal thereof as follows:

1. Until the death of my wife, CATHY SMITH:

a. My trustees shall pay to CATHY, or apply for her benefit, the entire net income of the trust, at convenient intervals, but not less often than quarter-annually. In addition, CATHY shall have the right, exercisable at any time and from time to time, upon written request to my trustees, to receive payment out of the principal of the trust of such amount or amounts as she shall deem reasonably necessary to provide for her health, maintenance and support. If, in the judgment of my trustees, CATHY is incapable of exercising such right, my trustees may exercise such right on CATHY's behalf while such incapacity shall exist. In the exercise of such right by my trustees, they shall consider that it is my primary intention that CATHY, for as long as she shall live, shall continue to enjoy the same standard of living that she enjoyed at the time of my death, and that preservation of principal for the remaindermen of the trust shall be subordinate thereto.

b. It is my intention that CATHY shall have substantially that degree of beneficial enjoyment of this trust during her life which the principles of the law of trusts applicable in the State of New Jersey accord to a person who is unqualifiedly designated as the life beneficiary of a trust. Accordingly, my trustees shall so manage this trust as to produce for CATHY a distributable income consistent with the value of the principal of the trust and its preservation, and shall not retain as principal thereof any assets which shall not be productive of income unless she shall consent thereto which consent, if granted, can be revoked at any time. No powers, rights or discretions granted to my trustees hereunder shall be construed in such a way as to deprive CATHY of said beneficial enjoyment of the trust.

c. CATHY shall have the right to disclaim, or to renounce, at any time, any one or more of the rights, powers or options contained in this subarticle A relating to distribution or use of principal of the trust to her or for her benefit.

d. The provisions of Article VI hereof shall not apply to prevent the sale by a remainderman of the trust of his or her remainder interest in the trust to the trust or to CATHY, nor shall they apply to prevent assignment by CATHY of all or part of her interest in trust income to one or more organizations described in both of Sections 170(c) and 2522(a) of the Code.

2. Upon the death of my wife, CATHY SMITH, any income of the trust that shall then be accrued but not received, or received but not distributed, shall be paid over and distributed to CATHY's estate and the then remaining principal of the trust shall be paid over and distributed in the following shares to the following individuals who shall then be living:

a. Nine (9%) percent thereof to my son, MARTIN SMITH.

b. Twelve (12%) percent thereof to my daughter, MARY JANE

SMITH.

c. Twenty-one (21%) percent thereof to my son, MICHAEL SMITH.

d. Seventeen (17%) percent thereof to my son, ROBERT SMITH.

e. Twenty-one (21%) percent thereof to my daughter, PATRICIA SMITH.

f. Twenty (20%) percent thereof to my daughter, ERICA SMITH.

If any of the individuals named in subparagraphs a through f hereof shall not then be living, his or her distribution shall be paid over and distributed to those of his or her descendants who shall then be living, per stirpes.

If any of the individuals named in subparagraphs a through f hereof, and all of his or her descendants, shall not then be living, said individual's distribution shall lapse, and the same shall be added to the distributions in said subparagraphs a through f which shall not have lapsed, pro rata.

3. With respect to the trust hereinabove created, it is my expectation that my executors shall make the election provided for in Section 2056(b)(7) of the Code, so that so much of said trust as shall be required to decrease my taxable estate for Federal estate tax purposes to the maximum amount possible without requiring payment of any Federal or State estate (but not inheritance) taxes shall qualify for the Federal estate tax marital deduction, but my executors shall have the discretion, in accordance with the criteria hereinafter set forth, not to do so, in whole or in part. If my executors shall make the aforesaid election as to part, but less than all, of said trust, my trustees may, but shall not be required to, separate said trust into two separate trusts, each to be administered in accordance with the foregoing provisions, with one separate trust consisting of the portion of said trust with respect to which such election was made and the other separate trust consisting of the portion with respect to which the election was not made. Assets allocated to each such trust shall be valued for such purpose as of the date of allocation.

4. If, following the death of my wife, CATHY SMITH, my trustees shall receive notification from the executors or administrators of her estate that they intend to recover from the person or persons receiving the assets of the trust all or part of the increase in Federal and State estate taxes payable by her estate due to the inclusion in her gross estate for Federal and State estate tax purposes of all or part of the value of the trust upon her death, pursuant to Section 2207A of the Code and applicable State law, then prior to making any distribution, division or other disposition of the then remaining principal of the trust my trustees may, but shall not be required to, lend to such executors or administrators, or advance to them, so much or all of the amount to be so recovered as my trustees, in their discretion, shall deem advisable. Such loan or advancement need not await the actual payment by CATHY's estate of its Federal and State estate taxes, and in the exercise of their discretion hereunder my trustees may take into account the best interests of CATHY's estate and the recipients thereof, including any expense or loss it or they may incur as a result of having to pay such taxes without the benefit of such loan or advancement. My trustees

shall be entitled to rely upon the written advice of the executors or administrators of CATHY's estate attesting to both the amount that they are entitled to recover (which may be an estimate) and the reasons why such loan or advancement is requested, without the necessity of verifying the same.

5. With respect to the right of recovery referred to in paragraph 4 hereof, my trustees shall reimburse the estate of my wife, CATHY SMITH, for the reasonable costs of determining the amount of such recovery, including, but not limited to, legal, accounting and appraisal fees. The loan or advancement provisions of said paragraph 4 shall likewise apply to such costs.

B. If my wife, CATHY SMITH, shall predecease me, I bequeath my residuary estate in the following shares to the following individuals who shall survive me:

1. Nine (9%) percent thereof to my son, MARTIN SMITH.

2. Twelve (12%) percent thereof to my daughter, MARY JANE SMITH.

3. Twenty-one (21%) percent thereof to my son, MICHAEL SMITH.

4. Seventeen (17%) percent thereof to my son, ROBERT SMITH.

5. Twenty-one (21%) percent thereof to my daughter, PATRICIA SMITH.

6. Twenty (20%) percent thereof to my daughter, ERICA SMITH.

If any of the individuals named in paragraphs 1 through 6 hereof shall predecease me, I bequeath his or her share to those of his or her descendants who shall survive me, per stirpes.

If any of the individuals named in paragraphs 1 through 6 hereof, and all of his or her descendants, shall predecease me, said individual's bequest shall lapse, and the same shall be added to the bequests in said paragraphs 1 through 6 which shall not have lapsed, pro rata.

Any life insurance proceeds, or other death benefits, received by my trustees shall also be paid over and distributed as set forth in this subarticle B, unless otherwise specified in the appropriate beneficiary designation.

C. Anything in this Will to the contrary notwithstanding:

1. If I and my wife, CATHY SMITH, shall die at the same time, within one hundred twenty (120) hours of each other or under such circumstances that the order of our deaths cannot be determined with certainty, then for all purposes of this trust agreement, or otherwise, she shall be deemed to have survived me.

2. For all purposes of this Will, except Article III hereof:

a. If any beneficiary hereunder, other than my wife, CATHY SMITH, shall survive me but shall die within ninety (90) days of my death, such beneficiary shall be deemed to have predeceased me.

b. If any beneficiary hereunder shall survive my wife, CATHY SMITH, but shall die within ninety (90) days of her death, such beneficiary shall be deemed to have predeceased CATHY.

D. I hereby acknowledge that I have not provided for equal distributions or bequests to my children or their descendants. This is due not to any lack of love and affection for any of them, but to their different financial situations.

ARTICLE V

A. Except as specifically provided to the contrary in this subarticle A, all transfer taxes payable with respect to property passing under this Will shall be paid out of my residuary estate, without apportionment, except that any transfer tax determined with reference to my relationship to the recipient of the property giving rise to such tax shall be charged to such property or recipient and shall not be paid out of my residuary estate. For purposes of this subarticle A, property received by my trustees other than from my executors shall not be considered to have passed under this Will.

Pursuant to the provisions of paragraph 3 of subarticle A of Article IV hereof, my executors have discretion to make or not to make the election provided for in Section 2056(b)(7) of the Code with respect to all or part of the trust created under said subarticle A. If the portion of such trust with respect to which such election was not made shall be subject to transfer taxes, the taxes attributable to such portion shall be paid therefrom.

B. It is my intention that all transfer taxes payable with respect to property passing other than under this Will shall be paid by the recipient thereof, and, if paid by my executors, shall be recovered from such recipient if my executors shall deem it reasonably feasible to do so. My executors shall not be liable to my estate or to any person interested therein if my executors shall not deem it reasonably feasible to recover such taxes, and my executors shall have no obligation to pursue recovery under such circumstances. If my executors shall come into possession of any property distributable to a beneficiary from whom my executors shall have a right of recovery pursuant to this subarticle B, my executors may pay, on behalf of the beneficiary, the amount of recoverable taxes and charge the same to such property or sell any part of such property to produce cash to satisfy the recovery right.

If an asset of my estate is valued for transfer tax purposes higher than the amount received by my estate due to the application of Code Section 2703 or otherwise, and if the purchaser or purchasers of such asset, or the owner or owners of the purchaser, receive any bequest under this Will, then to the extent such person or persons are benefitted, directly or indirectly, by the purchase, such benefit shall be deemed to be property passing other than under this Will for purposes of this subarticle B. The same principle shall apply if any gift tax is included in my

gross estate pursuant to Code Section 2035(b), with the recipient of the gift being treated as a purchaser.

C. If any transfer taxes are to be paid out of, or by the recipient of, specifically identified property pursuant to subarticle A hereof, the taxes attributable to each such property shall be a pro rata portion of the total transfer taxes payable with respect to all property subject to such taxes passing under this Will, except that any transfer tax determined with reference to my relationship to the recipient of the property giving rise to such tax shall be charged to such property or recipient and not allocated pro rata as aforesaid.

D. The transfer taxes attributable to the property referred to in subarticle B hereof shall be the amount by which the total of such taxes payable exceeds the total of such taxes which would have been payable had such property not been subject to transfer taxes, the same to be allocated among the various interests in such property pro rata, except that any transfer tax determined with reference to my relationship to the recipient of the property giving rise to such tax shall be charged to such property or recipient and not allocated pro rata as aforesaid.

E. Whenever transfer taxes with respect to property passing under this Will are payable from specified property, or by the recipient thereof, in accordance with the provisions of this Article V, my executors may withhold distribution of a portion of such property to secure payment thereof, and may make payment on behalf of the recipient or make whatever other arrangements my executors shall deem advisable to assure that the taxes are paid. If the recipient also receives property other than under this Will, the foregoing authority to withhold distribution of property passing under this Will shall extend to the transfer taxes payable with respect to such property passing outside of this Will.

F. When used in this Will, the term "transfer taxes" shall be deemed to include all taxes payable by reason of property passing upon my death, whether labeled estate taxes, inheritance taxes, death taxes, succession taxes, transfer taxes, or otherwise, and whether imposed by the Federal government, any state, city or municipality, or otherwise, including interest and penalties thereon. Such term shall not be deemed to include taxes imposed on generation-skipping transfers pursuant to Code Section 2601 et seq. or any other statute of similar import, whether imposed by the Federal government, any state, city or municipality, or otherwise, which taxes, including interest and penalties thereon, shall be paid as provided in Section 2603 of the Code, or in any other statute of similar import.

G. Nothing contained in this Article V shall be deemed to be a direction that my estate recover or not recover from the recipient of property included in my gross estate by reason of Section 2044 of the Code the amount specified in Section 2207A of the Code, it being my intention that my executors shall make such decision in accordance with such criteria, as they, in their discretion, shall deem appropriate.

H. A person (the "payor") receiving assets as a result of my death (whether or not received pursuant to this Will) may be obligated to pay a transfer tax (often called, and referred to herein as, an "inheritance tax") and also may be charged with a portion of another transfer tax (often called, and referred to herein as, an "estate tax"). Such inheritance tax payment may reduce

the estate tax liability of my estate, a portion of which reduction could, in the absence of this subarticle H, inure to the benefit of beneficiaries other than the payor. Anything in this Article V to the contrary notwithstanding, any such reduction shall be applied first to reduce (but not below zero) the amount of estate tax charged to the payor, with any balance being applied as it would have been had this subarticle H not existed.

I. To the extent possible, no transfer taxes shall be paid from any property, whether passing (i) under this Will or otherwise or (ii) outright or in trust, which shall qualify for the Federal estate tax marital or charitable deduction.

J. My executors shall not be liable to any person or persons as a result of the exercise by them of any discretion granted pursuant to this Article V, and any discretionary decisions made by my executors shall be conclusive and binding upon all persons interested therein.

ARTICLE VI

The interest of the beneficiary or any remainderman in any trust created hereunder, either in income or in principal, or in both, shall not be subject to sale, assignment, pledge or transfer in any manner, and such interest shall not be liable or subject in any manner while in the possession of my trustees for the debts, contracts, obligations, liabilities, engagements, undertakings or torts of the beneficiary or any such remainderman. Neither the beneficiary nor any remainderman shall have the power in any manner to anticipate, charge or encumber his or her interest, either in income or in principal, or in both.

ARTICLE VII

Any portion of my estate or of any trust created hereunder vesting in absolute ownership in a person who is a minor and/or who, in the judgment of my fiduciaries, is incapable of adequately managing such assets, may be held for the benefit of such person by my fiduciaries until such minor shall attain majority and/or, in the judgment of my fiduciaries, such incapacity shall cease to exist. During such period, my fiduciaries so holding such property shall have all the powers and authority herein granted to them with respect to my estate or any trust created hereunder; shall not be required to furnish bond or other security; and may pay or apply to or for the benefit of such person, such portions, or all, of the property so held, and/or the income earned thereon, as they shall deem to be in the best interest of such person, accumulating as principal any income not so expended in any year. To the extent applicable, my fiduciaries may, in their discretion, make such payment or application by expending the same directly for the benefit of such person or by paying the amount so to be paid or applied to the parent or legal guardian of such person, or to another individual with whom such person may reside, or to an individual standing in the place of a parent to such person, or to a Custodian for such person designated by my fiduciaries under an applicable Uniform Transfers to Minors Act or Uniform Gifts to Minors Act, or directly to such person, or otherwise, as my fiduciaries may, from time to time deem expedient, and the receipt of such person or such other payee shall be a full acquittance to my fiduciaries to the extent of such payments. The authority granted to my fiduciaries hereunder shall be in addition to, and not in

lieu of, any other alternative available to them with respect to the administration and distribution of such portion of my estate or of such trust, and it shall be construed as a power only, and shall not operate to suspend the absolute ownership of such property, or of such accumulations of income, if any, by such person, nor shall it prevent the absolute vesting thereof in such person.

ARTICLE VIII

A. If my wife, CATHY SMITH, shall survive me, she shall have the right, at any time and from time to time, to remove one or more of the co-trustee(s) of any trust created hereunder and either (i) allow the next available successor trustee(s), appointed in subarticle B of Article I hereof, to serve or (ii) appoint any individual(s) and/or, if no trust institution shall then be serving, any trust institution of her choice as successor co-trustee(s), to serve together with any then serving co-trustee(s).

B. Any successor co-trustee being appointed pursuant to subarticle A hereof (other than the individuals specifically named in subarticle B of Article I hereof), (i) may not be related or subordinate [within the meaning of Section 672(c) of the Code] to the person making such appointment, and (ii) in the case of any trust institution, shall, at the time of appointment, be administering trust assets valued at not less than two hundred fifty million ($250,000,000) dollars.

C. The rights granted in subarticle A hereof may be exercised by an instrument in writing, executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey, and delivered to the then acting trustee(s), either in person or by prepaid, registered or certified mail, which instrument shall advise such trustee(s) of the appointed successor(s) and shall state the effective date of removal, to be not less than thirty (30) days and not more than sixty (60) days after delivery. On such effective date, or as soon thereafter as may be reasonably feasible, the trustee(s) being removed shall then turn over to the remaining co-trustee(s) and/or appointed successor(s) all funds then held by such trustee(s) in the trust or trusts involved, in cash or in kind or partly in cash and partly in kind, in the discretion of the trustee(s) being removed, reserving therefrom such amount as such trustee(s) shall deem reasonably necessary to cover the expenses of such removal, including any applicable termination commissions. The trustee(s) being removed shall have the right to demand and receive, prior to releasing any funds to the remaining co-trustee(s) and/or appointed successor(s), written approval of such trustee's or trustees' statements or final accounting by the then living adult income beneficiary or beneficiaries, whichever shall be applicable, which shall have the same force and effect as an approved accounting pursuant to Article XII hereof. In lieu thereof, such trustee(s) may submit said final accounting to a court for settlement, and in either event may postpone delivery of funds to the remaining co-trustee(s) and/or appointed successor(s) until such statements or account, judicial or otherwise, shall have been approved.

ARTICLE IX

In the administration of my estate, and any trust created hereunder, my fiduciaries shall have the following powers, in addition to the powers vested in them by law, which in each and

every instance may be exercisable by them at such times (if at all), in such manner, and in accordance with such criteria, as they, in their discretion, shall deem appropriate:

A. To retain any property, real, personal or mixed, whether owned by me at the time of my death or subsequently purchased or acquired by my fiduciaries, for such length of time as they shall deem proper, regardless of the nature of such property and regardless of whether the same shall be productive of income, and to receive and accept, at any time and from time to time, from any person or persons, including the fiduciary of any other estate or trust, any additions to my estate or any trust created hereunder in the form of cash, stock, securities or other property, real, personal or mixed, provided that such additions are acceptable to my fiduciaries.

B. To make such investments and reinvestments of principal and accumulated income as they may consider proper, and to retain cash or the proceeds from the sale of any assets until such time or times as they deem it appropriate to invest such funds, so long as the requirements (other than diversification) of any applicable Prudent Investor Act (or equivalent) are satisfied. My fiduciaries may make their decision regarding diversification based upon such criteria as they, in their sole discretion, shall deem advisable, including, but not limited to, tax considerations, and my fiduciaries shall incur no liability of any kind as a result of their decision whether or not to diversify.

C. To purchase or otherwise acquire, and to sell, exchange, mortgage, lease, grant and accept options and easements with respect to and otherwise deal with, any property, real, personal and mixed, improved or unimproved, at public or private sale, for cash or on credit, or partly for cash and partly on credit, and upon such terms and conditions as they may deem proper. No purchaser, upon any sale or other disposition, shall be bound to see to the application of monies or property arising therefrom or to inquire into the validity, expediency or propriety of any such sale or other disposition. Any leases or options entered into or granted with respect to real or personal property held hereunder may be for such period (whether or not the same extends beyond the actual or probable duration of my estate or of any trust created hereunder) as my fiduciaries shall deem advisable.

D. To manage, maintain, alter, develop, improve, abandon and otherwise deal with all property held by them, whether real, personal or mixed, and to do all such acts and to exercise all rights, powers and privileges, although not specifically mentioned herein, with respect to such property as may be legally done or exercised by any person owning similar property in his own right.

E. To pay, extend, renew, modify, compromise, assign, litigate, alter, release or forgive, upon such terms and conditions, with or without consideration, as they shall deem advisable, or submit to arbitration or any other form of alternate dispute resolution, any obligation or claim, including taxes, either in favor of or against my estate, or any trust created hereunder.

F. To borrow money or property, either upon the security of any or all of the assets of my estate or of any trust created hereunder, or without security or otherwise, upon such terms and conditions and for such purposes in connection with the administration of my estate or of any trust created hereunder, including not by way of limitation the purchase of improved or unimproved real

or personal property, as to them shall seem proper, and to make any loans, in such amounts, upon such terms, and to such individuals or entities, as may be deemed advisable, provided such loans bear reasonable interest and are adequately secured.

G. To invest in, and/or to participate in the formation of, any corporation, partnership (general or limited), joint venture, limited liability company or other business organization, for such purposes, and for such periods of time, as they shall deem advisable, and to purchase shares of stock or other ownership interests therein, and to contribute to the capital thereof, and lend thereto, any assets of my estate or of any trust created hereunder; and to enter into or refuse to enter into any dissolution, liquidation, merger, consolidation, recapitalization, reorganization or other change with respect to any corporation or other such business venture the stock or other ownership interest in which is held by them, and to make exchanges of securities or other interest therein; and to exercise all voting rights with respect to such investment, in person or by proxy, and to enter into voting trusts and other agreements regulating the ownership and disposition thereof, whether or not the same extends beyond the actual or probable duration of my estate or of any trust created hereunder, all upon such terms and conditions as they shall deem advisable.

H. To continue the operation of any business which I shall own or in which I shall be engaged at the time of my death, and to engage in and operate any other business, whether as a shareholder, partner, member, sole proprietor or otherwise, and to apply to the conduct of any such business any assets of my estate or of any trust created hereunder; and to dissolve, sell (for cash or on credit or partly for cash and partly on credit) or otherwise terminate any such business, all upon such terms and conditions as they shall deem advisable. No loss whatever resulting to my estate or to any trust created hereunder, through the ownership or operation by my fiduciaries of any business, whether the same be carried on as a corporation, partnership, proprietorship, limited liability company or otherwise, shall be chargeable against my fiduciaries personally. Nothing contained herein shall relieve my fiduciaries from the obligation to comply with any agreement entered into by me prior to my death regarding the sale or disposition of any interest in any business held by me at the time of my death.

I. To engage attorneys, accountants, agents, investment counsel and other advisers in connection with the administration of my estate and any trust created hereunder, and to pay expenses incurred thereby.

J. To hold investments in the name of my fiduciaries, or in bearer form, or in the name of a nominee without disclosing a fiduciary relationship, and, with respect to any trust institution serving as a fiduciary, to hold and administer any property in a common trust fund.

K. To set up reasonable reserves for depreciation and/or depletion.

L. To postpone the distribution of income earned during the administration of my estate for such period of time (not to extend beyond the period reasonably required for such administration) as they shall deem proper.

M. To make partial distributions of the principal of my estate, subject to adjustments resulting from the conclusion of any tax proceedings affecting my estate, and to divide and

distribute my estate or any trust created hereunder in cash or in kind or partly in cash and partly in kind, without regard to differences in the composition of the shares or the tax bases of the assets distributed.

N. To hold the interest of two or more trusts, parts or shares created under this Will in consolidated funds, without any physical division of the investments, but such consolidation of investments shall not operate to merge the legal or beneficial interests in such separate trusts, parts or shares.

O. To make whatever elections or choices as shall be available to them respecting my last income tax return and any gift tax returns, including the filing of joint returns and consenting to gifts made by my spouse being treated as made one-half by me, and to pay all tax liabilities incurred thereby.

P. To execute and deliver all documents, contracts and instruments necessary or advisable in connection with the administration of my estate and any trust created hereunder.

Q. To retain within my estate, or within any trust created hereunder, beyond the date it otherwise would have terminated, such assets as they shall deem appropriate to allow my estate, or any such trust, to be deemed not to have terminated for the purpose of petitioning the United States Tax Court with respect to any assessed Federal tax deficiency. Such action can be taken with respect to my estate only if consented to in writing by the beneficiaries receiving at least half of the value of my residuary estate, and can be taken with respect to any trust created hereunder only if consented to in writing by the remainderman thereof (or both of them if there shall be two, or a majority of them if there shall be more than two).

R. To treat or not to treat as an expense of administering my estate, the costs of any ancillary or similar proceedings with respect to my estate and any costs incurred in connection with the preservation, protection and delivery of assets of my estate, including assets specifically bequeathed.

S. To allocate receipts and disbursements of my estate or any trust created hereunder between income and principal thereof in such a manner as my fiduciaries shall deem advisable, so long as the requirements of any applicable Principal and Income Act or equivalent are satisfied, except that during the lifetime of my wife, CATHY SMITH, no allocation or allocations shall be made with respect to any portion of my estate or of any trust created hereunder which could prevent the same from qualifying for the Federal estate tax marital deduction.

ARTICLE X

In the administration of my estate, and any trust created hereunder, I direct that:

A. My fiduciaries shall not personally be liable for any loss which may occur to my estate or to any trust herein created as a result of the exercise of, or the refusal to exercise, any of the powers or discretions vested in them, so long as such exercise or refusal to exercise is made in

good faith.

B. My fiduciaries shall not be disqualified from acting hereunder or from exercising any power granted herein because they may hold an interest in property in which my estate or any trust created hereunder shall also hold an interest, or be a creditor of my estate, or be an employee or agent of, or the holder of an interest in, any business, sole proprietorship, partnership, joint venture, association, corporation, limited liability company or otherwise, in which my estate or any trust created hereunder may hold an interest, or by reason of the fact that they may also be serving as the trustees of any trust established by me during my lifetime.

C. If my fiduciaries decide in good faith that there is uncertainty as to the necessity for including particular items in my estate for death tax purposes, or particular items in any income or gift tax returns, they may exclude such items. My fiduciaries shall not be personally liable for any tax, interest or penalty imposed, or for any loss incurred, as a result of such decision.

D. If applicable, my fiduciaries are authorized in their discretion:

(i) to consent to the election or revocation of the election by any corporation to be an S corporation for Federal, State and other income tax purposes;

(ii) to make or refrain from making the election provided for in Section 1361(e) of the Code, so that a trust will be treated as an "electing small business trust" even if, as a result thereof, the income taxes payable by the trust and/or any beneficiary thereof are increased;

(iii) to make or refrain from making the election provided for in Section 2056(b)(7) of the Code, so that all or a portion of qualified terminable interest property shall qualify for the Federal estate tax marital deduction;

(iv) to elect or not to elect an installment payment of Federal estate taxes pursuant to Section 6166 of the Code, and to post bond and/or create liens on assets of my estate as required in connection therewith, and to distribute assets of my estate so encumbered;

(v) to elect or not to elect to deduct all or part of the expenses of administration of my estate and losses incurred during the settlement of my estate in the computation of the Federal or state income tax liability of my estate;

(vi) to elect or not to elect to value my estate for transfer tax purposes as of a date other than the date of my death;

(vii) to elect or not to elect the application of Section 2032A of the Code with respect to qualified real property;

(viii) to elect or not to elect to disclaim all or part of transfers or bequests made to me prior to my death by other persons;

(ix) to exercise or refrain from exercising any right, election or option in connection with the Generation Skipping Transfer tax provided for in Chapter 13 (Section 2601 et seq.) of the Code, including, but not limited to, the right to allocate or not to allocate the GST exemption provided for in Sections 2631 and 2632 of the Code to any applicable property or disposition, including dispositions made by me prior to death, and to make disparate allocations thereof to similar properties or dispositions;

(x) to elect or not to elect to treat any portion of a payment of estimated tax made with respect to any trust created hereunder as a payment made by a beneficiary of such trust (in equal or unequal shares if there shall be more than one) and to consider any amount so treated as a distribution to such beneficiary;

(xi) to elect or not to elect, in whole or in part, the application of Section 2057 of the Code (or any section of similar import) with respect to any qualified family-owned business interest, and they shall not be required to elect a larger amount under said Section in order to pay a smaller tax to the extent the election reduces the applicable exclusion amount under Section 2010 of the Code;

(xii) to elect or not to elect to treat a qualified revocable trust as part of my estate pursuant to Section 645 of the Code;

(xiii) to elect or not to elect to disclaim all or part of any power or discretion held by my fiduciaries in a fiduciary capacity, and to determine whether or not such disclaimer shall be binding upon, and shall constitute a disclaimer by, any or all successor or substitute fiduciaries;

(xiv) to exercise or refrain from exercising any other election or option in connection with the computation of the transfer tax and income tax liabilities of my estate.

In the exercise of the discretion in clauses (i) through (xiv) hereof, my fiduciaries are to be guided by their opinion of what action will serve the best interests of my estate, and one or more of the beneficiaries thereof, and such discretion can be exercised without prior permission or approval of the court having jurisdiction of this Will. Furthermore, such consent and elections and options can be granted, made or exercised, or not, even though the result may be (i) the creation of liabilities; (ii) the shifting of interests in property between or among beneficiaries; and/or (iii) the fact that certain of the beneficiaries of my estate may incur a gain, while other beneficiaries of my estate may suffer a loss, but my fiduciaries may, if they deem it equitable, require adjustment among the various bequests contained herein and among the various beneficiaries of my estate, as a result of, or as a condition precedent to, the exercise of such discretion.

E. If pursuant to any provisions of this Will a trust would be established to which any part of my GST exemption [provided for in Section 2631(a) of the Code] would be allocated (hereinafter referred to as a "GST Trust"), and if after such allocation the inclusion ratio of such

trust for generation skipping transfer tax purposes would not be zero, my fiduciaries may, but shall not be required to, establish two separate trusts, each to be administered in accordance with the provisions applicable to the GST Trust, with one trust having an inclusion ratio of one and the other trust having an inclusion ratio of zero. Assets that would have constituted the GST Trust shall be allocated between the two separate trusts as necessary to establish the prescribed inclusion ratios, and shall be valued for such purpose as of the date of allocation.

In addition, if pursuant to any provision of this Will a trust has been established that has an inclusion ratio of greater than zero and less than one, then my fiduciaries may, but shall not be required to, divide such trust into two separate trusts, provided that such division meets the definition of a "qualified severance" contained in Section 2642(a)(3) of the Code or Regulations promulgated pursuant thereto.

F. My fiduciaries may be employed and/or engaged in any capacity by, or render services to, my estate or any trust created hereunder, and/or may be employed and/or engaged by any corporation, proprietorship, joint venture, sole proprietorship, limited liability company or other entity in which my estate or any such trust may have an interest, and shall be entitled to receive and to retain (in addition to their remuneration for their services as fiduciaries herein) such compensation, perquisites and reimbursement of expenses in connection with such services, in such manner and upon such terms and conditions, as they, in their discretion, shall deem proper.

G. My fiduciaries may delegate discretion relating to the investment and management of estate or trust assets to an agent (including an entity affiliated with any trust institution serving as an executor or a trustee) and may do so without liability for the decisions, actions, omissions, neglect, misconduct or default of such agent, provided that such agent was selected and retained with reasonable care, skill and caution. My fiduciaries may pay such agent reasonable compensation for his, her or its services. Notwithstanding any statute or rule of law to the contrary, such compensation (other than of a fiduciary serving hereunder) shall not reduce any statutory commissions or other fees payable to my fiduciaries.

ARTICLE XI

A. Wherever in this Will the words "executors", "trustees" and "fiduciaries" are used, they shall be construed to mean "executor, executors, executrix, executrices, personal representative, personal representatives, trustee, trustees and the survivor or survivors of them and their successor or successors in office."

B. Wherever in this Will the word "bequeath" is used, it shall be construed to mean "give, devise and bequeath."

C. Wherever in this Will the words "descendant" and "descendants" are used, they shall be construed to be synonymous with the word "issue."

D. Wherever in this Will the words "per stirpes" are used with reference to the descendants of any individual, they shall be construed to mean that the determination of such

descendants begins with the children of such individual and that no distribution at any generational level shall be per capita.

E. Wherever in this Will the words "sibling" and "siblings" are used, they shall be construed to mean "brother(s) and sister(s)" (of the whole blood or of the half blood, but only if I or a descendant of mine shall be the natural or adoptive parent of the latter), but not "step-brother(s) and step-sister(s)", unless the same shall have been adopted by me or a descendant of mine.

F. For all purposes under this Will, whether for the determination of relationships or otherwise, (i) adopted children of mine shall be considered to have, and shall be given, the same status as natural-born children and (ii) adopted children of any other person shall be considered to have, and shall be given, the same status as natural-born children only if the child was a minor when adopted and lived while a minor (either before or after the adoption) as a regular member of the household of the adopting parent. All references in this Will to children or descendants of mine or any other person shall include, and it is my intention that this Will shall be effective notwithstanding the fact that there shall be, any child, children, descendant or descendants of mine or any other person born or adopted after the date of execution hereof.

No one claiming to be a natural-born descendant of another person shall be considered as such unless the claimant and the purported parent had established a child-parent relationship prior to the time in question and they had lived together, while the claimant was a minor, as child and parent in the same household. The purpose of this paragraph is to prevent someone from successfully claiming to be a person's child although never acknowledged to be such and it shall apply notwithstanding any provision of law to the contrary.

G. All references made, and all nouns and pronouns used herein, shall be construed in the singular or plural, and in such gender, as the sense and circumstances require.

H. Wherever in this Will the word "Code" is used, it shall be construed to mean the Internal Revenue Code of 1986, as amended. Any reference to a section of the Code shall be deemed to refer to such section or to any section of similar import.

I. Wherever in this Will the words "trust institution" are used, they shall be construed to mean a corporation or other organization which is authorized to act as trustee of both lifetime and testamentary trusts, and which shall, at the time of appointment, be administering trust assets valued at not less than two hundred fifty million ($250,000,000) dollars.

ARTICLE XII

My fiduciaries, upon request, but not more often than annually, shall provide to each beneficiary of my estate and of any trust administered by them, statements setting forth the receipts and disbursements of principal and income and the assets on hand at the commencement and expiration of the period covered by such statements. The written approval of such statements by the then living adult income beneficiary or beneficiaries, whichever shall be applicable, shall be final and binding upon all who are then or may thereafter become entitled to any part of the assets,

as to all matters and transactions shown on the statements. Anything herein contained shall not preclude my fiduciaries, from time to time, from rendering an accounting or from submitting an accounting to a court for settlement, as they shall deem advisable.

ARTICLE XIII

Any trust created hereunder which shall be substantially identical to any other trust created hereunder, or to any trust created under the Last Will and Testament of my wife, CATHY SMITH, or to any trust created by either of us prior to death, may, in the discretion of my trustees, be merged into such other trust, or they may accept a merger of such other trust into the substantially identical trust created hereunder, if my trustees shall determine the same advisable to facilitate the administration thereof, to reduce the expense of operation thereof, or any other reason they shall deem to be in the best interests of the beneficiary thereof.

ARTICLE XIV

To the extent permitted by law, if any beneficiary or remainderman under this Will, or any person who would succeed to any of my property by intestate succession, shall, directly or indirectly, by legal proceedings or otherwise, challenge or contest this Will or any of its provisions, or shall attempt in any way to oppose or set aside the probate of this Will or impair or invalidate any of the provisions I have made in it, (i) any bequest to, or other provision for, that beneficiary or remainderman under this Will shall be revoked and shall be disposed of in the same manner as if the contesting beneficiary or remainderman, his or her spouse and all of his or her descendants had predeceased me and (ii) such beneficiary, remainderman or person otherwise entitled to succeed to any of my property by intestate succession, his or her spouse and all of his or her descendants shall also be deemed to have predeceased me and shall not succeed to any of my property by intestate succession.

I also direct that no portion of my estate shall be used to pay the legal fees and other expenses incurred by any of the aforesaid persons who shall, directly or indirectly, by legal proceedings or otherwise, challenge or contest this Will or any of its provisions, or shall attempt in any way to oppose or set aside the probate of this Will or impair or invalidate any of the provisions I have made in it, whether or not any such action shall be successful. In addition, to the extent permitted by law, it is also my wish that the legal fees and other expenses incurred by my estate in successfully defending any such action be paid by the person bringing such action.

ARTICLE XV

If at the time of my death I shall have any power of appointment over any property, I hereby exercise such power and direct that such property be disposed of in the same manner as my residuary estate.

ARTICLE XVI

My trustees shall have the right to collect and receive, for the benefit of any trust created hereunder, the proceeds of any policies of insurance on my life made payable to my testamentary trustees, as well as the proceeds of any other death benefits, of whatsoever nature, made so payable, and any other money or property, or interest therein, receivable by them as a result of my death, or otherwise, and my trustees may execute appropriate proofs of death and claims for such assets, as well as receipts and releases therefor. To the extent permitted by law, all such assets shall be exempt from, and shall not be used in payment of, any of my debts, funeral costs, estate administration expenses and death taxes. If my wife, CATHY SMITH, shall survive me, my trustees shall hold all such assets as part of the principal of the trust or trusts hereinabove created, and, unless otherwise specified in the appropriate beneficiary designation, shall administer the same pursuant to subarticle A of Article IV hereof. If CATHY shall predecease me, my trustees shall pay over and distribute all such assets as set forth in subarticle B of Article IV hereof.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this day of , 2013.

_____(L.S.)
ANTHONY SMITH

The foregoing Will, consisting of twenty (20) pages, was signed, sealed, published and declared by the said Testator, ANTHONY SMITH, as and for his Last Will and Testament, in the presence of us, who, in his presence, at his request, and in the presence of each other, all being present at the same time, have hereunto subscribed our names as witnesses.

_____ _____
Witness Address

_____

_____ _____
Witness Address

_____

STATE OF NEW JERSEY)
ss:
COUNTY OF)

We, ANTHONY SMITH, the testator, and
and , the witnesses, whose names are signed to the attached or foregoing instrument, being duly sworn, do hereby declare to the undersigned authority that the testator signed and executed the instrument as his Last Will and that he had signed willingly, and that he executed it as his free and voluntary act for the purposes therein expressed; and that each of the witnesses, in the presence and hearing of the testator, signed the Will as witness and that to the best of his or her knowledge the testator was at that time 18 years of age or older, of sound mind and under no constraint or undue influence.

_____
ANTHONY SMITH, Testator

_____
, Witness

_____
, Witness

Subscribed, sworn to and acknowledged before me by ANTHONY SMITH, the testator, and subscribed and sworn to before me by
and , witnesses, this day of ,
2013.

_____

QTIP MARITAL DEDUCTION PECUNIARY FORMULA WILL

SEPARATE TRUST FOR NJ ESTATE TAX EXEMPTION AND MARITAL (QTIP) AND GENERATION-SKIPPING (GST) TRUSTS FOR OTHER ASSETS*

LAST WILL AND TESTAMENT

OF

SUSAN BANKS

I, SUSAN BANKS, residing at 20 Swan Lane, Cherryville, New Jersey 08822, being of sound mind, memory and understanding, do make, publish and declare the following to be my Last Will and Testament, hereby revoking all Wills and Codicils heretofore made by me:

ARTICLE I

A. I appoint my husband, GEORGE BANKS, as executor of this my Last Will and Testament. If GEORGE shall fail to qualify, or having qualified shall cease to serve, as executor, due to his death or any other reason whatsoever, I appoint my friend and attorney, HARRY SMITH, as his successor. If HARRY also shall fail to qualify, or having qualified shall cease to serve, as executor, due to his death or any other reason whatsoever, I appoint my friend and accountant, STEVE LANE, as his successor. If STEVE also shall fail to qualify, or having qualified shall cease to serve, as executor, due to his death or any other reason whatsoever, I appoint my friend and attorney, ROGER SMITH, as his successor.

The last serving executor shall have the right, by an instrument in writing or by Last Will and Testament, to appoint any individual(s) and/or trust institution of his or her choice as successor executor(s), and in default of such appointment, or if at any time no executor shall be serving hereunder, then I appoint THE BANK as successor executor.

B. I appoint my husband, GEORGE BANKS, and my friend and attorney, HARRY SMITH, as trustees of the trusts created hereunder. If HARRY shall fail to qualify, or having qualified shall cease to serve, as a trustee, due to his death or any other reason whatsoever (other than removal pursuant to Article XV hereof), I appoint my friend and accountant, STEVE LANE, as his successor. If STEVE also shall fail to qualify, or having qualified shall cease to serve, as a trustee, due to his death or any other reason whatsoever (other than removal pursuant to Article XV hereof), I appoint my friend and attorney, ROGER SMITH, as his successor.

If at any time GEORGE shall be serving as sole trustee of any trust created hereunder, he, by an instrument in writing, shall appoint any individual(s), not related to him by blood or marriage, and/or trust institution of his choice as co-trustee(s) of such trust, to serve together with him.

* Provided by Shoobe & Bakarich, P.C., Paramus, New Jersey

The last serving trustee of a trust created hereunder shall have the right, by an instrument in writing or by Last Will and Testament, to appoint any individual(s) and/or trust institution of his or her choice as successor trustee(s) of such trust, and in default of such appointment, or if at any time no trustee shall be serving thereunder, then I appoint THE BANK as successor trustee of such trust.

C. I direct that no bond or other security shall be required of my executor or trustees, or any of them, or any successors thereto, in any jurisdiction in which they may be called upon to act.

D. The written instruments referred to in subarticles A and B hereof shall be executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey.

Any trust institution being appointed pursuant to subarticle A or B hereof by anyone other than me shall, at the time of appointment, be administering trust assets valued at not less than two hundred fifty million ($250,000,000) dollars.

ARTICLE II

I direct my executor to pay, as soon as convenient after my death, all of my debts, the expenses of my last illness, my funeral and related expenses and the expenses of administering my estate. Notwithstanding the foregoing, my executor shall not pay any debt of mine secured by property owned by me (including a life insurance policy), it being my intention either that said property shall pass subject to such indebtedness or, if the property shall be a life insurance policy, that any such debt shall first be satisfied out of the proceeds of such policy.

ARTICLE III

A. I bequeath all of my personal effects, jewelry and automobiles, and all of my household furnishings, equipment and bric-a-brac, to my husband, GEORGE BANKS, if he shall survive me, or if he shall predecease me, I bequeath the same as set forth in subarticle B or C hereof, whichever shall be applicable.

B. It is my intention to prepare a written statement, to be dated and signed by me, disposing of certain of my personal effects, jewelry and other items of tangible personal property, which statement (i) will be effective if my husband, GEORGE BANKS, shall predecease me and (ii) may be revised and/or superseded from time to time. All items listed in the statement last signed by me prior to my death I hereby bequeath to the beneficiaries, as specified therein, who shall survive me.

C. If my husband, GEORGE BANKS, shall predecease me, I bequeath all of my personal effects, jewelry, automobiles, household furnishings, equipment and bric-a-brac, not

disposed of pursuant to the written statement referred to in subarticle B hereof to those of my children, KRISTEN BANKS and HEATHER BANKS, who shall survive me, in as nearly equal shares as feasible, to be allocated between them as they shall mutually agree, or in the absence of such agreement, as my executor, in his discretion, shall determine, giving due regard to the preferences of such children.

D. If neither my husband, GEORGE BANKS, nor either of my children, KRISTEN BANKS and HEATHER BANKS, shall survive me, the bequests in subarticles A and C hereof shall lapse, and the aforesaid property bequeathed thereunder shall be added to my residuary estate and distributed as hereinafter provided.

ARTICLE IV

A. I bequeath the sum of five thousand ($5,000) dollars to each of HALEY TAYLOR and ELIZABETH TAYLOR (children of my friends, MICHELLE and AL TAYLOR) who shall survive me, and to each other additional child of MICHELLE and AL who shall survive me. If any of said children shall predecease me, her bequest shall lapse, and the same shall be added to my residuary estate and distributed as hereinafter provided.

B. I bequeath the sum of twenty-five thousand ($25,000) dollars to CHARITY in Hackensack, New Jersey, to be used for educational purposes and not for salaries, fund raising or similar administrative expenses.

ARTICLE V

All of the rest, residue and remainder of my estate, of every nature and description, real, personal and mixed, wheresoever situated, remaining after payment of the debts and expenses specified in Article II hereof (referred to herein as my "residuary estate"), I bequeath to my trustees, hereinabove named, who shall add the same to any life insurance proceeds or other death benefits, and any other money or property, or interest therein, received by them as a result of my death, or otherwise, and my trustees shall administer such assets as follows:

A. If my husband, GEORGE BANKS, shall survive me, effective as of the date of my death my trustees shall set aside, from the assets received by them, the "Marital Deduction Amount", as hereinafter defined. The Marital Deduction Amount shall be a pecuniary amount, and not a fractional share of the assets received by my trustees, and shall not be diminished by any transfer taxes payable from such assets. My trustees shall administer the Marital Deduction Amount as follows:

1. My trustees shall hold an amount equal to so much of my GST exemption, provided for in Section 2631(a) of the Code, as shall not be or have been allocated to generation skipping transfers made by me during my lifetime or pursuant to other provisions of this Will, in a separate trust, hereinafter referred to as the "Generation Skipping Share", pursuant to the

provisions of Article VI hereof. Assets allocated to such amount shall be valued for such purpose as of the date of allocation.

2. My trustees shall hold the balance of the Marital Deduction Amount in a separate trust, hereinafter referred to as the "Marital Deduction Share", pursuant to the provisions of Article VI hereof.

B. My trustees shall hold the remainder of the assets received by them, or the whole thereof if my husband, GEORGE BANKS, shall not survive me, in trust. Such trust, hereinafter referred to as the "Residuary Share", shall be administered pursuant to the provisions of Article VII hereof.

ARTICLE VI

My trustees shall hold each of the Generation Skipping Share and the Marital Deduction Share separately in trust for the following uses and purposes:

A. Until the death of my husband, GEORGE BANKS:

1. My trustees shall pay to GEORGE, or apply for his benefit, the entire net income of the trust, at convenient intervals, but not less often than quarter-annually. In addition, GEORGE shall have the right, exercisable at any time and from time to time, upon written request to my trustees, to receive payment out of the principal of the trust of such amount or amounts as he shall deem reasonably necessary to provide for his health, maintenance and support. If, in the judgment of my trustees, other than GEORGE, he is incapable of exercising such right, such trustees may exercise such right on GEORGE's behalf while such incapacity shall exist. In the exercise of such right by my trustees, they shall consider that it is my primary intention that GEORGE, for as long as he shall live, shall continue to enjoy the same standard of living that he enjoyed at the time of my death, and that preservation of principal for the remaindermen of the trust shall be subordinate thereto.

In addition to the aforementioned payments of net income and principal, GEORGE shall have the absolute right, exercisable only during the last ten (10) days of each calendar year, upon written request to my trustees, to receive payment out of the principal of the trust of such amount or amounts as he shall desire, for any purpose at all, not to exceed in the aggregate, however, in any one calendar year, an amount equal to five (5%) percent of the value of the trust as of the last day of such calendar year. Amounts not so withdrawn in any one year shall not be added to or increase amounts subject to withdrawal in any succeeding year.

2. It is my intention that GEORGE shall have substantially that degree of beneficial enjoyment of this trust during his life which the principles of the law of trusts applicable in the State of New Jersey accord to a person who is unqualifiedly designated as the life beneficiary of a trust. Accordingly, my trustees shall so manage this trust as to produce for GEORGE a distributable income consistent with the value of the principal of the trust and its preservation, and shall not retain as principal thereof any assets which shall not be productive of

income unless he shall consent thereto which consent, if granted, can be revoked at any time. No powers, rights or discretions granted to my trustees hereunder shall be construed in such a way as to deprive GEORGE of said beneficial enjoyment of the trust.

B. Upon the death of my husband, GEORGE BANKS, any income of the trust that shall then be accrued but not received, or received but not distributed, shall be paid over and distributed to GEORGE's estate and the then remaining principal of the trust shall be added to, and administered as part of, the Residuary Share, if it shall then be in existence, or administered as set forth in subarticle B or C of Article VII hereof, whichever shall be applicable, if the Residuary Share shall not then be in existence.

C. With respect to each of the Generation Skipping Share and the Marital Deduction Share, it is my expectation that my executor shall make the election provided for in Section 2056(b)(7) of the Code, so that the trust shall qualify for the Federal estate tax marital deduction, but my executor shall have the discretion, in accordance with the criteria hereinafter set forth, not to do so, in whole or in part. If my executor shall make the aforesaid election as to part, but less than all, of the trust, my trustees may, but shall not be required to, separate such trust into two separate trusts, each to be administered in accordance with the foregoing provisions, with one separate trust consisting of the portion of such trust with respect to which such election was made and the other separate trust consisting of the portion with respect to which the election was not made. Assets allocated to each such separate trust shall be valued for such purpose as of the date of allocation.

In addition, with respect to the Generation Skipping Share, it is my expectation that my executor shall make the election provided for in Section 2652(a)(3)(A) of the Code to treat all of the property in such trust, for purposes of the generation skipping transfer tax, as if the election provided for in Section 2056(b)(7) had not been made, but my executor shall have the discretion, in accordance with the criteria hereinafter set forth, not to do so.

D. If, following the death of my husband, GEORGE BANKS, my trustees shall receive notification from the executors or administrators of his estate that they intend to recover from the person or persons receiving the assets of the Generation Skipping Share and/or the Marital Deduction Share all or part of the increase in Federal and State estate taxes payable by his estate due to the inclusion in his gross estate for Federal and State estate tax purposes of all or part of the value of either such trust upon his death, pursuant to Section 2207A of the Code and applicable State law, then (i) to the extent permitted by law, the total amount to be so recovered from both Shares shall first be paid out of the Marital Deduction Share, to the extent thereof, and any balance shall then be paid out of the Generation Skipping Share and (ii) prior to making any distribution, division or other disposition of the then remaining principal of either such trust my trustees may, but shall not be required to, lend to such executors or administrators, or advance to them, so much or all of the amount to be so recovered as my trustees, in their discretion, shall deem advisable. Such loan or advancement need not await the actual payment by GEORGE's estate of its Federal and State estate taxes, and in the exercise of their discretion hereunder my trustees may take into account the best interests of GEORGE's estate and the recipients thereof, including any expense or loss it or they may incur as a result of having to pay such taxes without the benefit of such loan or advancement. My trustees shall be entitled to rely upon the written advice of the

executors or administrators of GEORGE's estate attesting to both the amount that they are entitled to recover (which may be an estimate) and the reasons why such loan or advancement is requested, without the necessity of verifying the same.

E. With respect to the right of recovery referred to in subarticle D hereof, my trustees shall reimburse the estate of my husband, GEORGE BANKS, for the reasonable costs of determining the amount of such recovery, including, but not limited to, legal, accounting and appraisal fees. The loan or advancement provisions of said subarticle D shall likewise apply to such costs.

ARTICLE VII

My trustees shall hold the Residuary Share in trust for the following uses and purposes:

A. If my husband, GEORGE BANKS, shall survive me, then until his death my trustees shall pay to him, or apply for his benefit, the entire net income of the trust, at convenient intervals, but not less often than quarter-annually. In addition, GEORGE shall have the right, exercisable at any time and from time to time, upon written request to my trustees, to receive payment out of the principal of the trust of such amount or amounts as he shall deem reasonably necessary to provide for his health, maintenance and support. If, in the judgment of my trustees, other than GEORGE, he is incapable of exercising such right, such trustees may exercise such right on GEORGE's behalf while such incapacity shall exist. In the exercise of such right by my trustees, they shall consider that it is my primary intention that GEORGE, for as long as he shall live, shall continue to enjoy the same standard of living that he enjoyed at the time of my death, and that preservation of principal for the remaindermen of the trust shall be subordinate thereto.

In addition to the aforementioned payments of net income and principal, GEORGE shall have the absolute right, exercisable only during the last ten (10) days of each calendar year, upon written request to my trustees, to receive payment out of the principal of the trust of such amount or amounts as he shall desire, for any purpose at all, not to exceed in the aggregate, however, in any one calendar year, an amount equal to five (5%) percent of the value of the trust as of the last day of such calendar year. Amounts not so withdrawn in any one year shall not be added to or increase amounts subject to withdrawal in any succeeding year.

B. Upon the death of my husband, GEORGE BANKS, if he shall survive me, or upon my death if he shall predecease me, my trustees shall divide the then remaining principal and undistributed income of the trust, or the whole thereof, whichever shall be applicable, together with any principal and/or income of any other trust created hereunder that shall be added thereto, into a sufficient number of equal shares so that there shall be set aside one such share for the benefit of each child of mine who shall then be living, and one such share for the benefit of the then living descendants collectively of each child of mine who shall then be deceased, to be allocated among them per stirpes.

Each share allocated to a child of mine, and each portion of a share allocated to a descendant of a deceased child of mine, shall be held by my trustees as a separate trust for the

benefit of the person for whom it shall have been allocated (such person being hereinafter referred to as the primary beneficiary of such trust), for the following uses and purposes:

1. Until the attainment of the age of thirty (30) years by the primary beneficiary of the trust, my trustees, at any time or times that they shall deem it advisable, may apply for the benefit of the primary beneficiary and/or the primary beneficiary's descendants, or pay over to him, her and/or them, so much, all or none of the net income of the trust as my trustees, in their discretion, shall deem advisable as set forth in subarticle B of Article XII hereof, as well as for any other reason, purpose or cause that my trustees (other than a beneficiary of the trust) shall determine.

2. From and after the attainment of the age of thirty (30) years by the primary beneficiary of the trust, and until his or her attainment of the age of thirty-five (35) years, my trustees (i) shall apply for the benefit of the primary beneficiary, or pay over to him or her, one-half (½) of the net income of the trust, at convenient intervals, but not less often than quarter-annually and (ii) may apply for the benefit of the primary beneficiary and/or the primary beneficiary's descendants, or pay over to him, her and/or them, so much, all or none of the remaining one-half (½) of the net income of the trust as my trustees, in their discretion, shall deem advisable as set forth in subarticle B of Article XII hereof, as well as for any other reason, purpose or cause that my trustees (other than a beneficiary of the trust) shall determine.

3. From and after the attainment of the age of thirty-five (35) years by the primary beneficiary of the trust, and until the termination thereof, my trustees shall apply for the benefit of the primary beneficiary, or pay over to him or her, all of the net income of the trust, at convenient intervals, but not less often than quarter-annually.

4. Until the termination of the trust, my trustees, at any time or times that they shall deem it advisable, may apply for the benefit of the primary beneficiary and/or the primary beneficiary's descendants, or pay over to him, her and/or them, such sum or sums out of the principal of the trust (including the whole thereof) as my trustees, in their discretion, shall deem advisable as set forth in subarticle B of Article XII hereof, as well as for any other reason, purpose or cause that my trustees (other than a beneficiary of the trust) shall determine.

5. In the exercise of their discretion in paragraphs 1, 2 and/or 4 hereof to pay or apply net income and/or principal of the trust, my trustees shall consider (a) that it is my primary intention that the reasonable needs of the primary beneficiary be satisfied first before such net income and/or principal is accumulated, preserved for, paid to, or applied for the benefit of, the primary beneficiary's descendants, and (b) that no such payment or application of such net income and/or principal shall be made with respect to the primary beneficiary's descendants if it shall have the effect of discharging a legal obligation of the primary beneficiary or if it shall be for his or her pecuniary benefit.

6. Upon the death of the primary beneficiary of the trust, my trustees shall allocate the then remaining principal and undistributed income of the trust among the descendants of the primary beneficiary living at the date of his or her death, per stirpes; and in default of such descendants, the same shall be allocated among those of the primary beneficiary's siblings who

shall then be living and the then living descendants of any sibling of the primary beneficiary who shall then be deceased, per stirpes; and in default of such siblings and descendants of a deceased sibling, among the then living descendants of that child of mine who shall be the ancestor of the primary beneficiary, per stirpes, and in default of such ancestor's descendants, among those of my children who shall then be living and the then living descendants of any child of mine who shall then be deceased, per stirpes; provided, however, that: (i) any sums thus allocated to any person for whose benefit a trust created hereunder shall then still be in existence shall be added to the principal of such trust, and shall be held and distributed as part thereof, and (ii) any sums thus allocated to any person for whose benefit there shall not then be in existence a trust created hereunder, shall be held in trust for the benefit of such person in accordance with the provisions of paragraphs 1 through 6 of this subarticle B.

C. Upon the death of the survivor of myself and my husband, GEORGE BANKS, or upon the death of the beneficiary of a trust created under subarticle B hereof, whichever shall be applicable, if none of my children, and no descendant of any deceased child of mine, shall then be living, my trustees shall pay over and distribute the then remaining principal and undistributed income of the trust, or the whole thereof, whichever shall be applicable, together with any income and/or principal of any other trust created hereunder that shall be added thereto, to CHARITY for the purpose of constructing a training facility, and not for salaries, fund raising or similar administrative expenses.

ARTICLE VIII

Anything in this Will to the contrary notwithstanding:

A. Any trust created hereunder which shall be or become subject to a rule against perpetuities and which, by its terms, shall not have terminated on or before the date which is twenty-one (21) years after the death of the last survivor of myself, my husband, GEORGE BANKS, and those of my descendants who shall survive me, shall nevertheless terminate on such date, and the principal and undistributed income thereof shall thereupon be paid over and distributed free of trust to the then current income beneficiary thereof, or the current income beneficiaries thereof, in equal shares, if more than one.

B. For all purposes of this Will other than Article III hereof:

1. If any beneficiary hereunder, other than my husband, GEORGE BANKS, shall survive me but shall die within ninety (90) days of my death, such beneficiary shall be deemed to have predeceased me.

2. If any beneficiary hereunder shall survive my husband, GEORGE BANKS, but shall die within ninety (90) days of his death, such beneficiary shall be deemed to have predeceased GEORGE.

ARTICLE IX

A. Except as specifically provided to the contrary in this subarticle A, all transfer taxes payable with respect to property passing under this Will shall be paid out of my residuary estate, without apportionment, except that any transfer tax determined with reference to my relationship to the recipient of the property giving rise to such tax shall be charged to such property or recipient and shall not be paid out of my residuary estate. For purposes of this subarticle A, property received by my trustees other than from my executor shall not be considered to have passed under this Will.

1. Pursuant to the provisions of subarticle C of Article VI hereof, my executor has discretion to make or not to make the election provided for in Section 2056(b)(7) of the Code with respect to all or part of the Marital Deduction Share and Generation Skipping Share. If the portion of either such Share with respect to which such election was not made shall be subject to transfer taxes, the taxes attributable to such portion shall be paid therefrom.

2. Pursuant to the provisions of subarticle D of Article X hereof, a trust, to be known as the "Disclaimed Share," may be established for the benefit of my husband, . If any portion of the Disclaimed Share shall be subject to transfer taxes, the taxes attributable to such portion shall be paid therefrom.

B. It is my intention that all transfer taxes payable with respect to property passing other than under this Will shall be paid by the recipient thereof, and, if paid by my executor, shall be recovered from such recipient if my executor shall deem it reasonably feasible to do so. My executor shall not be liable to my estate or to any person interested therein if my executor shall not deem it reasonably feasible to recover such taxes, and my executor shall have no obligation to pursue recovery under such circumstances. If my executor shall come into possession of any property distributable to a beneficiary from whom my executor shall have a right of recovery pursuant to this subarticle B, my executor may pay, on behalf of the beneficiary, the amount of recoverable taxes and charge the same to such property or sell any part of such property to produce cash to satisfy the recovery right.

If an asset of my estate is valued for transfer tax purposes higher than the amount received by my estate due to the application of Code Section 2703 or otherwise, and if the purchaser or purchasers of such asset, or the owner or owners of the purchaser, receive any bequest under this Will, then to the extent such person or persons are benefitted, directly or indirectly, by the purchase, such benefit shall be deemed to be property passing other than under this Will for purposes of this subarticle B. The same principle shall apply if any gift tax is included in my gross estate pursuant to Code Section 2035(b), with the recipient of the gift being treated as a purchaser.

C. If any transfer taxes are to be paid out of, or by the recipient of, specifically identified property pursuant to subarticle A hereof, the taxes attributable to each such property shall be a pro rata portion of the total transfer taxes payable with respect to all property subject to such taxes passing under this Will, except that any transfer tax determined with reference to my

relationship to the recipient of the property giving rise to such tax shall be charged to such property or recipient and not allocated pro rata as aforesaid.

D. The transfer taxes attributable to the property referred to in subarticle B hereof shall be the amount by which the total of such taxes payable exceeds the total of such taxes which would have been payable had such property not been subject to transfer taxes, the same to be allocated among the various interests in such property pro rata, except that any transfer tax determined with reference to my relationship to the recipient of the property giving rise to such tax shall be charged to such property or recipient and not allocated pro rata as aforesaid.

E. Whenever transfer taxes with respect to property passing under this Will are payable from specified property, or by the recipient thereof, in accordance with the provisions of this Article IX, my executor may withhold distribution of a portion of such property to secure payment thereof, and may make payment on behalf of the recipient or make whatever other arrangements my executor shall deem advisable to assure that the taxes are paid. If the recipient also receives property other than under this Will, the foregoing authority to withhold distribution of property passing under this Will shall extend to the transfer taxes payable with respect to such property passing outside of this Will.

F. When used in this Will, the term "transfer taxes" shall be deemed to include all taxes payable by reason of property passing upon my death, whether labeled estate taxes, inheritance taxes, death taxes, succession taxes, transfer taxes, or otherwise, and whether imposed by the Federal government, any state, city or municipality, or otherwise, including interest and penalties thereon. Such term shall not be deemed to include taxes imposed on generation-skipping transfers pursuant to Code Section 2601 et seq. or any other statute of similar import, whether imposed by the Federal government, any state, city or municipality, or otherwise, which taxes, including interest and penalties thereon, shall be paid as provided in Section 2603 of the Code, or in any other statute of similar import.

G. Nothing contained in this Article IX shall be deemed to be a direction that my estate recover or not recover from the recipient of property included in my gross estate by reason of Section 2044 of the Code the amount specified in Section 2207A of the Code, it being my intention that my executor shall make such decision in accordance with such criteria, as he, in his discretion, shall deem appropriate.

H. A person (the "payor") receiving assets as a result of my death (whether or not received pursuant to this Will) may be obligated to pay a transfer tax (often called, and referred to herein as, an "inheritance tax") and also may be charged with a portion of another transfer tax (often called, and referred to herein as, an "estate tax"). Such inheritance tax payment may reduce the estate tax liability of my estate, a portion of which reduction could, in the absence of this subarticle H, inure to the benefit of beneficiaries other than the payor. Anything in this Article IX to the contrary notwithstanding, any such reduction shall be applied first to reduce (but not below zero) the amount of estate tax charged to the payor, with any balance being applied as it would have been had this subarticle H not existed.

I. To the extent possible, no transfer taxes shall be paid from any property, whether passing (i) under this Will or otherwise or (ii) outright or in trust, which shall qualify for the Federal estate tax marital or charitable deduction.

J. My executor shall not be liable to any person or persons as a result of the exercise by him of any discretion granted pursuant to this Article IX, and any discretionary decisions made by my executor shall be conclusive and binding upon all persons interested therein.

ARTICLE X

A. When used in this Will, the term "Marital Deduction Amount" shall mean an amount equal to (i) the value of those assets received by my trustees that are included in my gross estate for Federal estate tax purposes less (ii) that amount, if any, as shall be required to increase my taxable estate for such purposes to the maximum amount possible without requiring payment of any Federal or State estate (but not inheritance) taxes, and, if my husband, GEORGE BANKS, shall survive me for less than one hundred eighty (180) days, less (iii) any additional amount required to increase further my taxable estate for Federal estate tax purposes to the minimum amount possible which would cause my estate to be taxed in the same marginal Federal estate tax bracket as GEORGE's estate; provided, however, that this clause (iii) shall be applicable only if, as a result thereof, Federal estate taxes will be payable by both his estate and mine. My fiduciaries shall be entitled to rely upon the written advice of the executors or administrators of GEORGE's estate attesting to both the value of his estate (which may be an estimate) and any other information requested by my fiduciaries to comply with clause (iii) above, without the necessity of verifying the same, and my fiduciaries shall not be personally liable for any loss to my estate or any beneficiary thereof resulting from their administration of such provision based on all such information.

B. For the purpose of establishing the Marital Deduction Amount:

1. The unified credit (applicable credit amount) allowed against the Federal estate taxes payable by my estate shall be taken into account to the extent it does not result in payment of State estate taxes that could have been avoided if a lesser unified credit had been utilized. Any credit or deduction allowed against such Federal taxes for State transfer taxes paid by my estate shall be taken into account only to the extent that the amount of the State taxes is determined independently of, and without reference to the amount of, the Federal taxes.

2. Property that is included in my gross estate for Federal estate tax purposes and is disposed of by any provision of this Will, or outside of this Will, in a manner which does not qualify for the marital deduction or the charitable deduction for such purposes, shall be taken into account.

3. Such portion, if any, of the expenses of administration of my estate and other charges to or payments from the principal of my estate which, by election or otherwise, is not allowed as a deduction in computing my taxable estate for Federal estate tax purposes, shall be taken into account.

4. The amount of any adjusted taxable gifts as defined in Section 2001(b) of the Code, and the amount of any tax referred to in Section 2001(b)(2) of the Code, shall be taken into account.

5. Disclaimers, directions having the effect of a disclaimer, and elections to have less than all of qualified terminable interest property qualify for the marital deduction for Federal estate tax purposes, shall not be taken into account.

6. Notwithstanding the provisions of paragraph 2 hereof, any excess in the value of property over the price for it, determined pursuant to Section 2703 of the Code, shall not be taken into account unless, pursuant to other provisions of this Will applicable to specifically identified property, any transfer taxes attributable to such excess are to be paid out of my residuary estate.

7. The values and amounts of assets and deductions, or other items, finally fixed in the Federal estate tax proceeding relating to my estate shall be used, whether such values and amounts shall be fixed by agreement, compromise, litigation or otherwise.

C. Assets allocated to the Marital Deduction Amount shall be valued for such purpose as of the date of allocation, and only assets which are included in my gross estate for Federal estate tax purposes and which qualify for the Federal estate tax marital deduction shall be utilized to make up such amount. If Federal estate taxes shall be payable by my estate, then to the extent possible, there shall not be so utilized any property situated (within the meaning of the Code applicable to my estate or any United States estate tax convention applicable to my estate) in a foreign country and subject to any estate, inheritance, succession or other transfer tax imposed by a foreign country or a possession or political subdivision thereof, or the proceeds of any such property, or any property with respect to which any tax credit or deduction shall be available because the same shall be subject to both Federal estate and income taxes.

D. If I and my husband, GEORGE BANKS, shall die at the same time, within one hundred twenty (120) hours of each other or under such circumstances that the order of our deaths cannot be determined with certainty, then for all purposes of this trust agreement, or otherwise, he shall be deemed to have predeceased me.

E. If my husband, GEORGE BANKS, shall survive me, he shall have the right to direct that all or part of the Marital Deduction Amount shall not be set aside and placed in the trust known as the Generation Skipping Share or the Marital Deduction Share. This right, if exercised, shall constitute a disclaimer pursuant to the provisions of Section 2518 of the Code. This right may be exercised by GEORGE by delivering to my trustees, either in person or by certified mail, not later than nine (9) months after the date of my death, an instrument in writing, executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey, setting forth the amount so disclaimed, and if the same shall be less than the whole of the Marital Deduction Amount, then it may be expressed either as a fraction thereof or as a monetary amount, or any combination thereof. Any exercise of such right shall be irrevocable and shall also comply with the requirements of applicable Federal and State

laws. Any amount so disclaimed, and any other money or property, or interest therein (including life insurance proceeds and other death benefits) which would have been paid to GEORGE but, as a result of disclaimer by him, is paid to the trustees herein named, shall be held in a separate trust, hereinafter referred to as the "Disclaimed Share", pursuant to the provisions of Article XI hereof, which trust shall be administered as if GEORGE survived me, notwithstanding any contrary statutory provisions governing the distribution of disclaimed property.

ARTICLE XI

My trustees shall hold the Disclaimed Share in trust for the following uses and purposes:

A. Until the death of my husband, GEORGE BANKS, my trustees shall pay to him, or apply for his benefit, the entire net income of the trust, at convenient intervals, but not less often than quarter-annually. In addition, GEORGE shall have the right, exercisable at any time and from time to time, upon written request to my trustees, to receive payment out of the principal of the trust of such amount or amounts as he shall deem reasonably necessary to provide for his health, maintenance and support. If, in the judgment of my trustees, other than GEORGE, he is incapable of exercising such right, such trustees may exercise such right on GEORGE's behalf while such incapacity shall exist. In the exercise of such right by my trustees, they shall consider that it is my primary intention that GEORGE, for as long as he shall live, shall continue to enjoy the same standard of living that he enjoyed at the time of my death, and that preservation of principal for the remaindermen of the trust shall be subordinate thereto.

In addition to the aforementioned payments of net income and principal, GEORGE shall have the absolute right, exercisable only during the last ten (10) days of each calendar year, upon written request to my trustees, to receive payment out of the principal of the trust of such amount or amounts as he shall desire, for any purpose at all, not to exceed in the aggregate, however, in any one calendar year, an amount equal to five (5%) percent of the value of the trust as of the last day of such calendar year. Amounts not so withdrawn in any one year shall not be added to or increase amounts subject to withdrawal in any succeeding year.

B. Upon the death of my husband, GEORGE BANKS, the then remaining principal and undistributed income of the trust shall be added to, and administered as part of, the Residuary Share, if it shall then be in existence, or administered as set forth in subarticle B or C of Article VII hereof, whichever shall be applicable, if the Residuary Share shall not then be in existence.

ARTICLE XII

A. Whenever, pursuant to the terms of this Will, my trustees are directed to hold any property in trust, my trustees shall hold the same; shall manage, administer, invest and reinvest the principal of the trust; shall collect and receive the income thereof; shall pay any and all expenses incident to the operation of such trust; and shall distribute the net income and principal thereof in the manner set forth.

B. Whenever, pursuant to the terms of this Will, my trustees are given discretion to pay to a beneficiary of any trust created hereunder, or to apply for his or her benefit, such portions of the income of the trust, and/or such sums out of the principal of the trust, as my trustees shall deem advisable, my trustees may make such payment or application solely to provide for such beneficiary's health, maintenance, support and education (which may include providing for beneficiary's undergraduate and postgraduate education and enabling the beneficiary to purchase a home). In the case of income, my trustees shall add to the principal of the trust any such net income not so expended in any fiscal year of the trust.

C. Whenever, pursuant to the terms of this Will, my trustees are given discretion to pay to a beneficiary of any trust created hereunder, or to apply for his or her benefit, portions of the income and/or principal of the trust, my trustees may take into consideration, but shall not be required to do so, any other income or property which may be available to such beneficiary, including the support which a spouse or parent does provide, or is obligated to provide.

D. Whenever, pursuant to the terms of this Will, my trustees are given discretion to pay or to apply income or principal of a trust to or for the benefit of a minor, my trustees may, in their discretion, make such payment or application by expending the same directly for the benefit of such minor, or by paying the amount so to be paid or applied to the parent or legal guardian of such minor, or to the person with whom such minor may reside, or to a person standing in the place of a parent to such minor, or to a Custodian for such minor designated by my trustees under an applicable Uniform Transfers to Minors Act or Uniform Gifts to Minors Act, or directly to such minor, or otherwise, as my trustees may, from time to time deem expedient, and the receipt of such minor or such other payee shall be a full acquittance to my trustees to the extent of such payments.

The provisions of this subarticle D shall also apply, to the extent applicable, whenever my trustees are given discretion to pay or apply income or principal of a trust to or for the benefit of a person who, in their judgment, is incapable of adequately managing such income or principal.

E. Whenever, pursuant to the terms of this Will, a person is given the discretion, whether in a fiduciary or non-fiduciary capacity, and whether alone or in conjunction with another person, to pay or to apply income and/or principal of any trust created hereunder to himself or herself or for his or her own benefit, and the purposes for which such payment or application can be made are not limited to such person's reasonable needs relating to health, maintenance, support and education, such purposes shall be deemed to be so limited, anything contained in this Will to the contrary notwithstanding. If such discretion is held by more than one person, any of whom is not a person to, or on whose behalf, income and/or principal can be so paid or applied, such other person or persons may exercise the discretion granted without reference to the limitations herein set forth. This subarticle shall not apply, however, to a right of withdrawal if the amount which could be withdrawn is limited so that it does not exceed the greater of the dollar or percentage limitation contained in Section 2514(e) of the Code.

F. Whenever, pursuant to the terms of this Will, a person is given the discretion, whether in a fiduciary or non-fiduciary capacity, and whether alone or in conjunction with another person, to pay or to apply income and/or principal of any trust created hereunder to or for the

benefit of any other person, then the purposes for which such payment or application can be made shall be limited to those which do not relieve the person having such discretion of a legal obligation, whether for support or any other purpose, anything contained in this Will to the contrary notwithstanding. If such discretion is held by more than one person, any of whom is not a person whose legal obligation could be relieved by such payment or application, such other person or persons may exercise the discretion granted without reference to the limitation herein set forth.

G. Whenever, pursuant to the terms of this Will, there shall be more than one beneficiary of any one trust, and my trustees are given discretion to utilize income and/or principal of such trust for their benefit, my trustees may pay or apply such income and/or principal to or for the benefit of such beneficiaries equally or unequally, or to or for the benefit of any of them to the exclusion of others (subject only to such preference, if any, of one beneficiary over any others, as may be specifically stated under the terms of such trust), so that utilization of trust income and principal among such beneficiaries according to their respective needs shall take precedence over equal distribution thereof.

ARTICLE XIII

The interest of any beneficiary or remainderman in any trust created hereunder, either in income or in principal, or in both, shall not be subject to sale, assignment, pledge or transfer in any manner, and such interest shall not be liable or subject in any manner while in the possession of my trustees for the debts, contracts, obligations, liabilities, engagements, undertakings or torts of any such beneficiary or remainderman. No beneficiary or remainderman shall have the power in any manner to anticipate, charge or encumber his or her interest, either in income or in principal, or in both.

ARTICLE XIV

Any portion of my estate or of any trust created hereunder vesting in absolute ownership in a person who is a minor and/or who, in the judgment of my fiduciaries, is incapable of adequately managing such assets, may be held for the benefit of such person by my fiduciaries until such minor shall attain majority and/or, in the judgment of my fiduciaries, such incapacity shall cease to exist. During such period, my fiduciaries so holding such property shall have all the powers and authority herein granted to them with respect to my estate or any trust created hereunder; shall not be required to furnish bond or other security; and may pay or apply to or for the benefit of such person, in any applicable manner set forth in subarticle D of Article XII hereof, such portions, or all, of the property so held, and/or the income earned thereon, as they shall deem to be in the best interest of such person, accumulating as principal any income not so expended in any year. The authority granted to my fiduciaries hereunder shall be in addition to, and not in lieu of, any other alternative available to them with respect to the administration and distribution of such portion of my estate or of such trust, and it shall be construed as a power only, and shall not operate to suspend the absolute ownership of such property, or of such accumulations of income, if any, by such person, nor shall it prevent the absolute vesting thereof in such person.

ARTICLE XV

A. If my husband, GEORGE BANKS, shall survive me, he shall have the right, from time to time, but in no event more than once during any three (3) year period, to remove any then serving trustee(s) of any trust created hereunder and appoint any individual(s) and/or, if no trust institution shall then be serving, any trust institution of his choice as successor trustee(s) to serve together with GEORGE; provided, however, that any successor trustee may not be subordinate or related [by blood or marriage or within the meaning of Section 672(c) of the Code] to the person making such appointment.

B. After the death of my husband, GEORGE BANKS, each adult beneficiary, with respect to the trust created hereunder for his or her own primary benefit, shall have the right, from time to time, but in no event more than once during any three (3) year period, to remove any then serving trustee(s), and if no trust institution shall then be serving, appoint any trust institution of his or her choice as successor; provided, however, that such trust institution being appointed (i) may not be subordinate or related [within the meaning of Section 672(c) of the Code] to the person making such appointment and (ii) shall, at the time of appointment, be administering trust assets valued at not less than two hundred fifty million ($250,000,000) dollars.

C. The rights granted in subarticles A and B hereof may be exercised by an instrument in writing, executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey, and delivered to the then acting trustee(s), either in person or by prepaid, registered or certified mail, which instrument shall advise such trustee(s) of the appointed successor(s) and shall state the effective date of removal, to be not less than thirty (30) days and not more than sixty (60) days after delivery. On such effective date, or as soon thereafter as may be reasonably feasible, the trustee(s) being removed shall then turn over to the remaining co-trustee(s) and/or appointed successor(s) all funds then held by such trustee(s) in the trust or trusts involved, in cash or in kind or partly in cash and partly in kind, in the discretion of the trustee(s) being removed, reserving therefrom such amount as such trustee(s) shall deem reasonably necessary to cover the expenses of such removal, including any applicable termination commissions. The trustee(s) being removed shall have the right to demand and receive, prior to releasing any funds to the remaining co-trustee(s) and/or appointed successor(s), written approval of such trustee's or trustees' statements or final accounting by the then living adult income beneficiary or beneficiaries, whichever shall be applicable, which shall have the same force and effect as an approved accounting pursuant to Article XIX hereof. In lieu thereof, such trustee(s) may submit said final accounting to a court for settlement, and in either event may postpone delivery of funds to the remaining co-trustee(s) and/or appointed successor(s) until such statements or account, judicial or otherwise, shall have been approved.

ARTICLE XVI

In the administration of my estate, and any trust created hereunder, my fiduciaries shall have the following powers, in addition to the powers vested in them by law, which in each and

every instance may be exercisable by them at such times (if at all), in such manner, and in accordance with such criteria, as they, in their discretion, shall deem appropriate:

A. To retain any property, real, personal or mixed, whether owned by me at the time of my death or subsequently purchased or acquired by my fiduciaries, for such length of time as they shall deem proper, regardless of the nature of such property and regardless of whether the same shall be productive of income, and to receive and accept, at any time and from time to time, from any person or persons, including the fiduciary of any other estate or trust, any additions to my estate or any trust created hereunder in the form of cash, stock, securities or other property, real, personal or mixed, provided that such additions are acceptable to my fiduciaries.

B. To make such investments and reinvestments of principal and accumulated income as they may consider proper, and to retain cash or the proceeds from the sale of any assets until such time or times as they deem it appropriate to invest such funds, so long as the requirements (other than diversification) of any applicable Prudent Investor Act (or equivalent) are satisfied. My fiduciaries may make their decision regarding diversification based upon such criteria as they, in their sole discretion, shall deem advisable, including, but not limited to, tax considerations, and my fiduciaries shall incur no liability of any kind as a result of their decision whether or not to diversify.

C. To purchase or otherwise acquire, and to sell, exchange, mortgage, lease, grant and accept options and easements with respect to and otherwise deal with, any property, real, personal and mixed, improved or unimproved, at public or private sale, for cash or on credit, or partly for cash and partly on credit, and upon such terms and conditions as they may deem proper. No purchaser, upon any sale or other disposition, shall be bound to see to the application of monies or property arising therefrom or to inquire into the validity, expediency or propriety of any such sale or other disposition. Any leases or options entered into or granted with respect to real or personal property held hereunder may be for such period (whether or not the same extends beyond the actual or probable duration of my estate or of any trust created hereunder) as my fiduciaries shall deem advisable.

D. To manage, maintain, alter, develop, improve, abandon and otherwise deal with all property held by them, whether real, personal or mixed, and to do all such acts and to exercise all rights, powers and privileges, although not specifically mentioned herein, with respect to such property as may be legally done or exercised by any person owning similar property in his own right.

E. To pay, extend, renew, modify, compromise, assign, litigate, alter, release or forgive, upon such terms and conditions, with or without consideration, as they shall deem advisable, or submit to arbitration or any other form of alternate dispute resolution, any obligation or claim, including taxes, either in favor of or against my estate, or any trust created hereunder.

F. To borrow money or property, either upon the security of any or all of the assets of my estate or of any trust created hereunder, or without security or otherwise, upon such terms and conditions and for such purposes in connection with the administration of my estate or of any trust

created hereunder, including not by way of limitation the purchase of improved or unimproved real or personal property, as to them shall seem proper, and to make any loans, in such amounts, upon such terms, and to such individuals or entities, as may be deemed advisable, provided such loans bear reasonable interest and are adequately secured.

G. To invest in, and/or to participate in the formation of, any corporation, partnership (general or limited), joint venture, limited liability company or other business organization, for such purposes, and for such periods of time, as they shall deem advisable, and to purchase shares of stock or other ownership interests therein, and to contribute to the capital thereof, and lend thereto, any assets of my estate or of any trust created hereunder; and to enter into or refuse to enter into any dissolution, liquidation, merger, consolidation, recapitalization, reorganization or other change with respect to any corporation or other such business venture the stock or other ownership interest in which is held by them, and to make exchanges of securities or other interest therein; and to exercise all voting rights with respect to such investment, in person or by proxy, and to enter into voting trusts and other agreements regulating the ownership and disposition thereof, whether or not the same extends beyond the actual or probable duration of my estate or of any trust created hereunder, all upon such terms and conditions as they shall deem advisable.

H. To continue the operation of any business which I shall own or in which I shall be engaged at the time of my death, and to engage in and operate any other business, whether as a shareholder, partner, member, sole proprietor or otherwise, and to apply to the conduct of any such business any assets of my estate or of any trust created hereunder; and to dissolve, sell (for cash or on credit or partly for cash and partly on credit) or otherwise terminate any such business, all upon such terms and conditions as they shall deem advisable. No loss whatever resulting to my estate or to any trust created hereunder, through the ownership or operation by my fiduciaries of any business, whether the same be carried on as a corporation, partnership, proprietorship, limited liability company or otherwise, shall be chargeable against my fiduciaries personally. Nothing contained herein shall relieve my fiduciaries from the obligation to comply with any agreement entered into by me prior to my death regarding the sale or disposition of any interest in any business held by me at the time of my death.

I. To engage attorneys, accountants, agents, investment counsel and other advisers in connection with the administration of my estate and any trust created hereunder, and to pay expenses incurred thereby.

J. To hold investments in the name of my fiduciaries, or in bearer form, or in the name of a nominee without disclosing a fiduciary relationship, and, with respect to any trust institution serving as a fiduciary, to hold and administer any property in a common trust fund.

K. To set up reasonable reserves for depreciation and/or depletion.

L. To postpone the distribution of income earned during the administration of my estate for such period of time (not to extend beyond the period reasonably required for such administration) as they shall deem proper.

M. To make partial distributions of the principal of my estate, subject to adjustments resulting from the conclusion of any tax proceedings affecting my estate, and to divide and distribute my estate or any trust created hereunder in cash or in kind or partly in cash and partly in kind, without regard to differences in the composition of the shares or the tax bases of the assets distributed.

N. To hold the interest of two or more trusts, parts or shares created under this Will in consolidated funds, without any physical division of the investments, but such consolidation of investments shall not operate to merge the legal or beneficial interests in such separate trusts, parts or shares.

O. To make whatever elections or choices as shall be available to them respecting my last income tax return and any gift tax returns, including the filing of joint returns and consenting to gifts made by my spouse being treated as made one-half by me, and to pay all tax liabilities incurred thereby.

P. To execute and deliver all documents, contracts and instruments necessary or advisable in connection with the administration of my estate and any trust created hereunder.

Q. To retain within my estate, or within any trust created hereunder, beyond the date it otherwise would have terminated, such assets as they shall deem appropriate to allow my estate, or any such trust, to be deemed not to have terminated for the purpose of petitioning the United States Tax Court with respect to any assessed Federal tax deficiency. Such action can be taken with respect to my estate only if consented to in writing by the beneficiaries receiving at least half of the value of my residuary estate, and can be taken with respect to any trust created hereunder only if consented to in writing by the remainderman thereof (or both of them if there shall be two, or a majority of them if there shall be more than two).

R. To treat or not to treat as an expense of administering my estate, the costs of any ancillary or similar proceedings with respect to my estate and any costs incurred in connection with the preservation, protection and delivery of assets of my estate, including assets specifically bequeathed.

S. To allocate receipts and disbursements of my estate or any trust created hereunder between income and principal thereof in such a manner as my fiduciaries shall deem advisable, so long as the requirements of any applicable Principal and Income Act or equivalent are satisfied, except that during the lifetime of my husband, GEORGE BANKS, no allocation or allocations shall be made with respect to any portion of my estate or of any trust created hereunder which could prevent the same from qualifying for the Federal estate tax marital deduction.

ARTICLE XVII

In the administration of my estate, and any trust created hereunder, I direct that:

A. My fiduciaries shall not personally be liable for any loss which may occur to my estate or to any trust herein created as a result of the exercise of, or the refusal to exercise, any of the powers or discretions vested in them, so long as such exercise or refusal to exercise is made in good faith.

B. My fiduciaries shall not be disqualified from acting hereunder or from exercising any power granted herein because they may hold an interest in property in which my estate or any trust created hereunder shall also hold an interest, or be a creditor of my estate, or be an employee or agent of, or the holder of an interest in, any business, sole proprietorship, partnership, joint venture, association, corporation, limited liability company or otherwise, in which my estate or any trust created hereunder may hold an interest, or by reason of the fact that they may also be serving as the trustees of any trust established by me during my lifetime.

C. If my fiduciaries decide in good faith that there is uncertainty as to the necessity for including particular items in my estate for transfer tax purposes, or particular items in any income or gift tax returns, they may exclude such items. My fiduciaries shall not be personally liable for any tax, interest or penalty imposed, or for any loss incurred, as a result of such decision.

D. If applicable, my fiduciaries are authorized in their discretion:

(i) to consent to the election or revocation of the election by any corporation to be an S corporation for Federal, State and other income tax purposes;

(ii) to make or refrain from making the election provided for in Section 1361(e) of the Code, so that a trust will be treated as an "electing small business trust" even if, as a result thereof, the income taxes payable by the trust and/or any beneficiary thereof are increased;

(iii) to make or refrain from making the election provided for in Section 2056(b)(7) of the Code, so that all or a portion of qualified terminable interest property shall qualify for the Federal estate tax marital deduction;

(iv) to elect or not to elect an installment payment of Federal estate taxes pursuant to Section 6166 of the Code, and to post bond and/or create liens on assets of my estate as required in connection therewith, and to distribute assets of my estate so encumbered;

(v) to elect or not to elect to deduct all or part of the expenses of administration of my estate and losses incurred during the settlement of my estate in the computation of the Federal or state income tax liability of my estate;

(vi) to elect or not to elect to value my estate for transfer tax purposes as of a date other than the date of my death;

(vii) to elect or not to elect the application of Section 2032A of the Code with respect to qualified real property;

(viii) to elect or not to elect to disclaim all or part of transfers or bequests made to me prior to my death by other persons;

(ix) to exercise or refrain from exercising any right, election or option in connection with the Generation Skipping Transfer tax provided for in Chapter 13 (Section 2601 et seq.) of the Code, including, but not limited to, the right to allocate or not to allocate the GST exemption provided for in Sections 2631 and 2632 of the Code to any applicable property or disposition, including dispositions made by me prior to death, and to make disparate allocations thereof to similar properties or dispositions;

(x) to elect or not to elect to treat any portion of a payment of estimated tax made with respect to any trust created hereunder as a payment made by a beneficiary of such trust (in equal or unequal shares if there shall be more than one) and to consider any amount so treated as a distribution to such beneficiary;

(xi) to elect or not to elect, in whole or in part, the application of Section 2057 of the Code (or any section of similar import) with respect to any qualified family-owned business interest, and they shall not be required to elect a larger amount under said Section in order to pay a smaller tax to the extent the election reduces the applicable exclusion amount under Section 2010 of the Code;

(xii) to elect or not to elect to treat a qualified revocable trust as part of my estate pursuant to Section 645 of the Code;

(xiii) to elect or not to elect to disclaim all or part of any power or discretion held by my fiduciaries in a fiduciary capacity, and to determine whether or not such disclaimer shall be binding upon, and shall constitute a disclaimer by, any or all successor or substitute fiduciaries;

(xiv) to exercise or refrain from exercising any other election or option in connection with the computation of the transfer tax and income tax liabilities of my estate.

In the exercise of the discretion in clauses (i) through (xiv) hereof, my fiduciaries are to be guided by their opinion of what action will serve the best interests of my estate, and one or more of the beneficiaries thereof, and such discretion can be exercised without prior permission or approval of the court having jurisdiction of this Will. Furthermore, such consent and elections and options can be granted, made or exercised, or not, even though the result may be (i) the creation of liabilities; (ii) the shifting of interests in property between or among beneficiaries; and/or (iii) the fact that certain of the beneficiaries of my estate may incur a gain, while other beneficiaries of my estate may suffer a loss, but my fiduciaries may, if they deem it equitable, require adjustment among the various bequests contained herein and among the various beneficiaries of my estate, as a result of, or as a condition precedent to, the exercise of such discretion..

E. If pursuant to any provisions of this Will a trust would be established to which any part of my GST exemption [provided for in Section 2631(a) of the Code] would be allocated (hereinafter referred to as a "GST Trust"), and if after such allocation the inclusion ratio of such trust for generation skipping transfer tax purposes would not be zero, my fiduciaries may, but shall not be required to, establish two separate trusts, each to be administered in accordance with the provisions applicable to the GST Trust, with one trust having an inclusion ratio of one and the other trust having an inclusion ratio of zero. Assets that would have constituted the GST Trust shall be allocated between the two separate trusts as necessary to establish the prescribed inclusion ratios, and shall be valued for such purpose as of the date of allocation.

I encourage the beneficiaries of any such GST Trust and my fiduciaries, in the exercise or non-exercise of any power or discretion granted to them with respect to such trust, to give due consideration to the generation skipping transfer tax consequences thereof.

In addition, if pursuant to any provisions of this Will any portion of any trust created hereunder is required to be added to the principal of any other trust created hereunder (such latter trust being hereinafter referred to as the "recipient trust") and if the inclusion ratios (for generation skipping transfer tax purposes) of such trusts are not identical, then my fiduciaries, in lieu of making such addition, may, but shall not be required to, hold such portion in a separate trust, to be administered in accordance with the provisions applicable to the recipient trust.

In further addition, if pursuant to any provision of this Will a trust has been established that has an inclusion ratio of greater than zero and less than one, then my fiduciaries may, but shall not be required to, divide such trust into two separate trusts, provided that such division meets the definition of a "qualified severance" contained in Section 2642(a)(3) of the Code or Regulations promulgated pursuant thereto.

F. My fiduciaries may be employed and/or engaged in any capacity by, or render services to, my estate or any trust created hereunder, and/or may be employed and/or engaged by any corporation, proprietorship, joint venture, sole proprietorship, limited liability company or other entity in which my estate or any such trust may have an interest, and shall be entitled to receive and to retain (in addition to their remuneration for their services as fiduciaries herein) such compensation, perquisites and reimbursement of expenses in connection with such services, in such manner and upon such terms and conditions, as they, in their discretion, shall deem proper.

G. My fiduciaries may delegate discretion relating to the investment and management of estate or trust assets to an agent (including an entity affiliated with any trust institution serving as an executor or a trustee) and may do so without liability for the decisions, actions, omissions, neglect, misconduct or default of such agent, provided that such agent was selected and retained with reasonable care, skill and caution. My fiduciaries may pay such agent reasonable compensation for his, her or its services. Notwithstanding any statute or rule of law to the contrary, such compensation (other than of a fiduciary serving hereunder) shall not reduce any statutory commissions or other fees payable to my fiduciaries.

ARTICLE XVIII

A. Wherever in this Will the words "executor", "trustees" and "fiduciaries" are used, they shall be construed to mean "executor, executors, executrix, executrices, personal representative, personal representatives, trustee, trustees and the survivor or survivors of them and their successor or successors in office."

B. Wherever in this Will the word "bequeath" is used, it shall be construed to mean "give, devise and bequeath."

C. Wherever in this Will the words "descendant" and "descendants" are used, they shall be construed to be synonymous with the word "issue."

D. Wherever in this Will the words "per stirpes" are used with reference to the descendants of any individual, they shall be construed to mean that the determination of such descendants begins with the children of such individual and that no distribution at any generational level shall be per capita.

E. Wherever in this Will the words "sibling" and "siblings" are used, they shall be construed to mean "brother(s) and sister(s)" (of the whole blood or of the half blood, but only if I or a descendant of mine shall be the natural or adoptive parent of the latter), but not "step-brother(s) and step-sister(s)", unless the same shall have been adopted by me or a descendant of mine.

F. For all purposes under this Will, whether for the determination of relationships or otherwise, (i) adopted children of mine shall be considered to have, and shall be given, the same status as natural-born children and (ii) adopted children of any other person shall be considered to have, and shall be given, the same status as natural-born children only if the child was a minor when adopted and lived while a minor (either before or after the adoption) as a regular member of the household of the adopting parent. All references in this Will to children or descendants of mine or any other person shall include, and it is my intention that this Will shall be effective notwithstanding the fact that there shall be, any child, children, descendant or descendants of mine or any other person born or adopted after the date of execution hereof.

No one claiming to be a natural-born descendant of another person shall be considered as such unless the claimant and the purported parent had established a child-parent relationship prior to the time in question and they had lived together, while the claimant was a minor, as child and parent in the same household. The purpose of this paragraph is to prevent someone from successfully claiming to be a person's child although never acknowledged to be such and it shall apply notwithstanding any provision of law to the contrary.

G. All references made, and all nouns and pronouns used herein, shall be construed in the singular or plural, and in such gender, as the sense and circumstances require.

H. Wherever in this Will the word "Code" is used, it shall be construed to mean the Internal Revenue Code of 1986, as amended. Any reference to a section of the Code shall be deemed to refer to such section or to any section of similar import.

I. Wherever in this Will the words "trust institution" are used, they shall be construed to mean a corporation or other organization which is authorized to act as trustee of both lifetime and testamentary trusts.

ARTICLE XIX

My fiduciaries, upon request, but not more often than annually, shall provide to each beneficiary of my estate and of any trust administered by them, statements setting forth the receipts and disbursements of principal and income and the assets on hand at the commencement and expiration of the period covered by such statements. The written approval of such statements by the then living adult income beneficiary or beneficiaries, whichever shall be applicable, shall be final and binding upon all who are then or may thereafter become entitled to any part of the assets, as to all matters and transactions shown on the statements. Anything herein contained shall not preclude my fiduciaries, from time to time, from rendering an accounting or from submitting an accounting to a court for settlement, as they shall deem advisable.

ARTICLE XX

With respect to any trust created hereunder which shall have a single primary beneficiary, if at any time after the death of my husband, GEORGE BANKS, and after taking into account the age, maturity and competence of such primary beneficiary, my trustees (other than such primary beneficiary) shall determine it to be in his or her best interest to terminate such trust and distribute to him or her, outright and free of trust, the entire remaining principal thereof, my trustees may do so, whereupon such trust shall terminate and the rights of any other beneficiaries or remaindermen in such trust shall cease. In making such decision: (i) my trustees shall take into account the relationship of commissions and expenses to the value of the principal of such trust, and if they shall decide that the value of the trust does not warrant the incurring of such commissions and expenses said decision shall be considered a proper reason for termination pursuant to this Article; and (ii) my trustees shall take into account the then existing and anticipated future status of the Federal estate and generation-skipping transfer taxes, and any applicable State estate, generation-skipping transfer and inheritance taxes, and if they shall conclude that the existence of any such tax probably was, but probably is no longer, a principal reason for the existence of the trust, said conclusion also shall be considered a proper reason for termination pursuant to this Article.

ARTICLE XXI

Any trust created hereunder which shall be substantially identical to any other trust created hereunder, or to any trust created under the Last Will and Testament of my husband, GEORGE BANKS, or to any trust created by either of us prior to death, may, in the discretion of my trustees, be merged into such other trust, or they may accept a merger of such other trust into the substantially identical trust created hereunder, if my trustees shall determine the same advisable to

facilitate the administration thereof, to reduce the expense of operation thereof, or any other reason they shall deem to be in the best interests of the beneficiary thereof.

ARTICLE XXII

To the extent permitted by law, if any beneficiary or remainderman under this Will, or any person who would succeed to any of my property by intestate succession, shall, directly or indirectly, by legal proceedings or otherwise, challenge or contest this Will or any of its provisions, or shall attempt in any way to oppose or set aside the probate of this Will or impair or invalidate any of the provisions I have made in it, (i) any bequest to, or other provision for, that beneficiary or remainderman under this Will shall be revoked and shall be disposed of in the same manner as if the contesting beneficiary or remainderman, his or her spouse and all of his or her descendants had predeceased me and (ii) such beneficiary, remainderman or person otherwise entitled to succeed to any of my property by intestate succession, his or her spouse and all of his or her descendants shall also be deemed to have predeceased me and shall not succeed to any of my property by intestate succession.

I also direct that no portion of my estate shall be used to pay the legal fees and other expenses incurred by any of the aforesaid persons who shall, directly or indirectly, by legal proceedings or otherwise, challenge or contest this Will or any of its provisions, or shall attempt in any way to oppose or set aside the probate of this Will or impair or invalidate any of the provisions I have made in it, whether or not any such action shall be successful. In addition, to the extent permitted by law, it is also my wish that the legal fees and other expenses incurred by my estate in successfully defending any such action be paid by the person bringing such action.

ARTICLE XXIII

If at the time of my death I shall have any power of appointment over any property, I hereby exercise such power and direct that such property be disposed of in the same manner as my residuary estate.

ARTICLE XXIV

My trustees shall have the right to collect and receive, for the benefit of any trust created hereunder, the proceeds of any policies of insurance on my life made payable to my testamentary trustees, as well as the proceeds of any other death benefits, of whatsoever nature, made so payable, and any other money or property, or interest therein, receivable by them as a result of my death, or otherwise, and my trustees may execute appropriate proofs of death and claims for such assets, as well as receipts and releases therefor. To the extent permitted by law, all such assets shall be exempt from, and shall not be used in payment of, any of my debts, funeral costs, estate administration expenses and transfer taxes. All such assets shall be held as part of the principal of the trust or trusts created hereunder, and, unless otherwise specified in the appropriate beneficiary designation, shall be administered pursuant to Article V hereof; provided, however, that any such

assets which would have been paid to my husband, GEORGE BANKS, but as a result of disclaimer by him, are paid to my trustees, shall be held and administered as part of the "Disclaimed Share," pursuant to the provisions of Article XI hereof.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this day of , 2013.

_____(L.S.)
SUSAN BANKS

The foregoing Will, consisting of twenty-eight (28) pages, was signed, sealed, published and declared by the said Testatrix, SUSAN BANKS, as and for her Last Will and Testament, in the presence of us, who, in her presence, at her request, and in the presence of each other, all being present at the same time, have hereunto subscribed our names as witnesses.

_____ _____
Witness Address

_____

_____ _____
Witness Address

_____

STATE OF NEW JERSEY)
ss:
COUNTY OF)

We, SUSAN BANKS, the testatrix, and
and , the witnesses, whose names are signed to the attached or foregoing instrument, being duly sworn, do hereby declare to the undersigned authority that the testatrix signed and executed the instrument as her Last Will and that she had signed willingly, and that she executed it as her free and voluntary act for the purposes therein expressed; and that each of the witnesses, in the presence and hearing of the testatrix, signed the Will as witness and that to the best of his or her knowledge the testatrix was at that time 18 years of age or older, of sound mind and under no constraint or undue influence.

_____
SUSAN BANKS, Testatrix

_____
, Witness

_____
, Witness

Subscribed, sworn to and acknowledged before me by SUSAN BANKS, the testatrix, and subscribed and sworn to before me by and , witnesses, this day of , 2013.

_____

FORM FOR DISPOSING OF TANGIBLE PERSONAL PROPERTY

(See Will Form: Outright Distribution Will with Contingent Trust for Descendants under Age X)

Pursuant to subarticle B of Article III of my Will, if my husband, JOHN M. DOE, shall predecease me, then I bequeath the following items to the following persons who shall survive me:

Dated: _____

_____
JANE A . DOE

* Provided by Shoobe & Bakarich, P.C., Paramus, New Jersey

FORM FOR DISPOSING OF TANGIBLE PERSONAL PROPERTY

(See Will Form: DISCLAIMER TRUST WILL OUTRIGHT TO SPOUSE WITH TRUST FOR CHILDREN AND COMMON DISASTER PROVISIONS)

Pursuant to subarticle A of Article IV of my Will, I bequeath the following items to the following persons who shall survive me:

Dated: _____

_____
AMY GREENSLEEVE

* Provided by Shoobe & Bakarich, P.C., Paramus, New Jersey

PLANNING FOR THE NEW JERSEY ESTATE TAX-I

Estate Plan for Paul and Mary Jones

Assets	Paul	Mary	Joint
Home (no mortgage)			300,000.00
Life Insurance on Paul	200,000.00		
Life Insurance on Mary		100,000.00	
Stocks and Bonds	150,000.00	165,000.00	
Bank Accounts	95,000.00	135,000.00	100,000.00
IRA Accounts	230,000.00	275,000.00	
	675,000.00	675,000.00	400,000.00
			675,000.00
			675,000.00
Total taxable estate (Paul, Mary and joint)			1,750,000.00

Alternative #1
Paul's will: All to Mary if she survives, otherwise to children
Mary's will: All to Paul if he survives, otherwise to children

On first death (assuming date of death is in 2013): No US estate tax, no NJ inheritance tax or estate tax
On second death (assuming date of death is in 2013 and no change in asset value)*

Total taxable estate	1,750,000.00
US estate tax	0.00
NJ Inheritance tax	0.00
NJ estate tax	81,600.00
Total transfer taxes	81,600.00

Amount passing to children on death of both Paul and Mary

Total estate	1,750,000.00
Transfer taxes	(81,600.00)
Total passing to children	1,668,400.00

Alternative #2
Paul's will: Portion in trust for Mary for life, then to children
Balance outright to Mary if she survives, otherwise to children

Mary's will: Portion in trust for Paul for life, then to children
Balance outright to Paul if he survives, otherwise to children

On first death (in 2013)*	If Paul dies first	If Mary dies first
Gross estate		
One-half of house	150,000.00	150,000.00
Life insurance	200,000.00	100,000.00
Stocks and Bonds	150,000.00	165,000.00
Bank Accounts	95,000.00	135,000.00
One-half of joint account	50,000.00	50,000.00
IRA Account	230,000.00	275,000.00
Total	875,000.00	875,000.00
Trust for spouse	(675,000.00)	(675,000.00)
Balance	200,000.00	200,000.00

No US estate tax, no NJ inheritance or estate tax

On second death (in 2013 and assuming no change in asset value)*

Gross estate		
All property except 675,000 trust	1,075,000.00	1,075,000.00
NJ estate tax (no NJ inheritance)	37,400.00	37,400.00

Amount passing to children on death of both Paul and Mary

Property not in trust	1,075,000.00
Property in trust	675,000.00
NJ estate tax	(37,400.00)
Total passing to children	1,712,600.00

*Funeral expenses and estate administration expenses are not considered.

09/13

PLANNING FOR THE NEW JERSEY ESTATE TAX-II

Estate Plan for John and Jill Smith

Assets	John	Jill	Joint
Home (no mortgage)			300,000.00
Life Insurance on John	200,000.00		
Life Insurance on Jill		100,000.00	
Stocks and Bonds	50,000.00	65,000.00	
Bank Accounts	95,000.00	135,000.00	100,000.00
IRA Accounts	130,000.00	175,000.00	
	475,000.00	475,000.00	400,000.00
			475,000.00
			475,000.00
Total taxable estate (John, Jill and joint)			1,350,000.00

Alternative #1

John's will: All to Jill if she survives, otherwise to children
Jill's will: All to John if he survives, otherwise to children

On first death (assuming date of death is in 2013): No US estate tax, no NJ inheritance tax or estate tax
On second death (assuming date of death is in 2013 and no change in asset value)*

Total taxable estate	1,350,000.00
US estate tax	0.00
NJ Inheritance tax	0.00
NJ estate tax	54,800.00
Total transfer taxes	54,800.00

Amount passing to children on death of both John and Jill

Total estate	1,350,000.00
Transfer taxes	(54,800.00)
Total passing to children	1,295,200.00

Alternative #2

John's will: Portion in trust for Jill for life, then to children
Balance outright to Jill if she survives, otherwise to children

Jill's will: Portion in trust for John for life, then to children
Balance outright to John if he survives, otherwise to children

On first death (in 2013)*	If John dies first	If Jill dies first
Gross estate		
One-half of house	150,000.00	150,000.00
Life insurance	200,000.00	100,000.00
Stocks and Bonds	50,000.00	65,000.00
Bank Accounts	95,000.00	135,000.00
One-half of joint account	50,000.00	50,000.00
IRA Account	130,000.00	175,000.00
Total	675,000.00	675,000.00
Trust for spouse	(675,000.00)	(675,000.00)
Balance	0.00	0.00

No US estate tax, no NJ inheritance or estate tax

On second death (in 2013 and assuming no change in asset value)*

Gross estate		
All property except 675,000 trust	675,000.00	675,000.00

No NJ estate tax, no NJ inheritance tax

Amount passing to children on death of both John and Jill

Property not in trust	675,000.00
Property in trust	675,000.00
NJ estate tax	0.00
Total passing to children	1,350,000.00

*Funeral expenses and estate administration expenses are not considered.

09/13

Peter J. Bakarich, Jr., Esq., Shoobe and Bakarich, P.C., 17 Arcadian Ave., Paramus, NJ 07652-1245, 201-587-9004, pbakarich@shobaklaw.com

APPENDIX C

DURABLE
POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that I, JANE SMITH, of 123 Main Street, Boonton, New Jersey 07005, do hereby appoint my husband, JOHN SMITH, my attorney-in-fact for me and in my name on my behalf:

to receive and receipt for any and all sums of money or payments due or to become due to me;

to commence, prosecute, enforce, defend, answer or oppose, all actions, suits or other legal proceedings in which I am now or may become engaged or interested;

to compromise, refer to arbitration or other forms of alternate dispute resolution or submit to judgment in any such action or proceeding;

to endorse and deposit in my name in any bank or banks any and all moneys collected or received by him;

to draw checks or drafts in my name upon any and all bank accounts or deposits belonging to me;

to enter any safe deposit box that could be entered by me and to remove all or part of the contents thereof;

to conduct banking transactions as set forth in section 2 of P.L. 1991, c. 95 (C.46:2B-11);

to conduct IRA and qualified retirement plan transactions;

to conduct real estate transactions, including the signing of any contracts, deeds, or other documents required in connection therewith;

to buy, sell, trade or otherwise deal with any stocks, bonds or other securities, or any other property, whether real or personal;

to pay any and all bills, accounts, claims and demands now or hereafter payable by me;

to act for me in any business in which I am now or have been engaged or interested, whether a sole proprietorship, partnership, corporation, limited liability company, or any other form of business entity, and in connection with any contract or contracts made by me;

to represent me before the Social Security Administration and the Department of Social Services;

to procure and maintain insurance of any kind, including but not limited to life, disability, long-term care, health, liability and property damage, or to terminate any such insurance;

to complete charitable gifts;

to accept, decline and/or resign any fiduciary appointment on my behalf;

to disclaim any property or interest therein to which I am or may become entitled without having to obtain court approval;

to delegate a parent's or guardian's authority regarding a minor's or an incapacitated person's care, custody and control for a period not exceeding six months;

to create, amend, modify and/or revoke a trust or other arrangement on my behalf for the benefit of myself and/or any other person (including himself) and, subject to the next following paragraph, to fund such trust or arrangement with any or all of my property;

to make gifts of any or all of my property to my spouse and/or to any descendant of mine (including themselves), either outright or in trust, regardless of whether or not such trust is created by me. Notwithstanding the foregoing, any gifts made other than to my spouse shall require court approval unless such gifts are either (i) in continuation of a pattern of gifting previously established by me or (ii) to my descendants equally on a per stirpital basis, with the share of any recipient not to exceed, in any calendar year, the annual exclusion amount pursuant to Section 2503(b) of the Internal Revenue Code of 1986, as amended, determined as if consent had in fact been given pursuant to Section 2513 thereof, whether or not actually given;

to do and perform all things, transact all business, make, execute and acknowledge all contracts, leases, orders, deeds, writings, assurances and instruments which may be requisite or proper to effectuate any matter or thing pertaining or belonging to me; and generally

to act for me in all matters affecting my business, property and affairs, real or personal, wheresoever situated, including Federal, State and other tax matters, with the same force and effect and to all intents and purposes as though I were personally present and acting for myself.

I hereby ratify and confirm whatsoever my attorney-in-fact shall do by authority hereof.

My attorney-in-fact shall maintain accurate books and records of all financial transactions and shall render an accounting thereof when required to do so by governing law.

My attorney-in-fact shall be entitled to be reimbursed for all reasonable expenses incurred in connection with his duties hereunder, including legal, accounting and other fees, and shall be entitled to such compensation as may be set forth in a separate written agreement between him and me, and in the absence of such agreement, as provided by governing law.

My attorney-in-fact in the exercise of reasonable care, skill and caution, may delegate to other agents any or all of the specific powers which have been conferred on my attorney-in-fact by this instrument.

My attorney-in-fact is authorized, in his sole discretion, to obtain my Protected Health Information ("PHI"), and he shall be treated as I would be with regard to the use and dissemination of my PHI and medical records. This authority applies to any information governed by the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), 42 USC 1320d, and related regulations, 45 CFR 160-164. I intend that my attorney-in-fact, in making decisions pursuant hereto, including various property-related decisions which relate to my health care, be treated as my personal representative for all purposes, as provided in 45 CFR 164.502(g)(2), relating to my health care and in any inquiry relating to my PHI, and I therefore specifically authorize my attorney-in-fact to request, obtain, receive and inspect any and all information bearing upon my health, including PHI, relevant to the performance of his duties hereunder (including, but not limited to, all medical treatments and procedures), to sign whatever authorizations for release of information may be required by providers or others, and to waive any rights I may have for breach of confidentiality for the release of such information to my attorney-in-fact. The authority given to my attorney-in-fact shall supersede any prior agreement that I may have made with my health care providers to restrict access to, or disclosure of, my PHI. The authority given to my attorney-in-fact has no expiration date and shall expire only in the event that I revoke the authority in writing and deliver it to my health care provider.

In addition, I specifically authorize any physician, dentist or other health care provider, any insurance company, the Medical Information Bureau Inc. and any other health care organization that has provided treatment or services to me or that has paid for or is seeking payment from me for such services to give, disclose and release to my attorney-in-fact all of my PHI and medical records regarding any past, present or future physical or mental health condition, including, but not limited to, all information relating to the diagnosis and treatment of HIV/AIDS, sexually transmitted diseases, mental illness and drug or alcohol abuse.

If my husband, JOHN SMITH, shall cease to serve as my attorney-in-fact, due to his death, written resignation or disability, I appoint my children, JAMES SMITH and MARY SMITH, acting severally or separately, residing, respectively, at 243 Pine Street, Boonton, NJ 07005,and 454 Spruce Street, Boonton, NJ 07005, as my successor attorneys-in-fact.

If after the execution of this Durable Power of Attorney protective proceedings for my person or estate shall be commenced in any court, I hereby nominate, in succession, (I) my husband, JOHN SMITH, and (ii) my children, JAMES SMITH and MARY SMITH, as conservator(s), guardian(s) of my estate or guardian(s) of my person, whichever shall be applicable, for consideration by such court.

This Durable Power of Attorney is effective as of the date hereof and shall not be revoked or otherwise affected by my subsequent disability or incapacity or by lapse of time.

This Durable Power of Attorney revokes any and all general powers of attorney I may have heretofore executed (including, but not limited to, the Durable Power of Attorney executed by me on), but does not revoke any power of attorney given by me for the specific limited purpose or purposes designated therein.

IN WITNESS WHEREOF, I have signed and acknowledged this Durable Power of Attorney this day of , 2013.

Witness JANE SMITH

STATE OF NEW JERSEY)

ss:

COUNTY OF BERGEN)

BE IT REMEMBERED, that on this day of , 2013, before me the subscriber, , personally appeared JANE SMITH, who, I am satisfied, is the person mentioned in the within instrument, and thereupon she acknowledged that she signed, sealed and delivered the same as her voluntary act and deed, for the uses and purposes therein expressed.

"LIVING WILL"

APPOINTMENT OF HEALTH CARE REPRESENTATIVE AND HEALTH CARE DIRECTIVE

I, JANE SMITH, residing at 123 Main Street, Boonton, New Jersey 07005, voluntarily make this statement as a directive to be followed if I become unable to participate in decisions regarding my medical care and I hereby revoke any prior statement or directive made by me relating thereto.

I realize that it is not possible for me to anticipate the very wide variety of medical decisions which may need to be made in the future and to provide specific written directions. Accordingly, in the event I am unable to understand and appreciate the nature and consequences of health care decisions and to make an informed decision, I appoint husband, JOHN SMITH, residing at 123 Main Street, Boonton, New Jersey 07005 (Phone: 973-334-0000), as my Health Care Representative to make all health care decisions on my behalf, including to accept or refuse medical or surgical treatment, as well as to accept or withhold or withdraw life-sustaining procedures. If JOHN is unavailable, unable or unwilling to serve for any reason, I appoint my brother, WILLIAM JONES, residing at 123 Main Street, Passaic, New Jersey 07055 (Phone: 973-779-0000), as my Health Care Representative. If WILLIAM also is unavailable, unable or unwilling to serve for any reason, I appoint my brother, GEORGE JONES, residing at 123 Main Street, Passaic, New Jersey 07055 (Phone: 973-779-0000), as my Health Care Representative. I direct my Health Care Representative to carry out my basic objectives set forth below and I authorize my Health Care Representative to interpret those objectives if need be. I also request, but do not require, that the serving Health Care Representative consult with the individual whom I have named as successor Health Care Representative, whenever feasible, regarding any decision to be made pursuant hereto.

If (a) in the opinion of my attending physician (i) I should be in a terminal condition, which I understand to be the terminal stage of an irreversibly fatal illness, disease or condition; or (ii) I am permanently unconscious, and such opinion is confirmed by a second physician, or (b) in the opinion of those responsible for my care, the likely risks and burdens associated with the medical intervention to be withheld or withdrawn may reasonably be judged to outweigh the likely benefits to me from such intervention, I direct my attending physician to withhold or withdraw life-sustaining treatment with the consent of my Health Care Representative, or without such consent if my Health Care Representative and all successors are unavailable after reasonable inquiry.

Use if NO TO Food & Water:

I specifically include in the life-sustaining treatment I wish to have withheld or withdrawn cardiopulmonary resuscitation, mechanical respiration, mechanically and/or intravenously administered nutrition and hydration and anti-microbial therapy or treatment. I want all medical treatment limited to measures to provide comfort and to relieve pain and

* Provided by Shoobe & Bakarich, P.C., Paramus, New Jersey

authorize the administration of pain relieving drugs, even if their administration may hasten the moment of my death.

Use if YES TO Food & Water:

I specifically include in the life-sustaining treatment I wish to have withheld or withdrawn cardiopulmonary resuscitation, mechanical respiration and anti-microbial therapy or treatment. I do not include mechanically administered nutrition and hydration in the treatment to be withheld or withdrawn and I want these procedures to be used in my care to the extent medically appropriate. I want all medical treatment limited to measures to provide comfort and to relieve pain and authorize the administration of pain relieving drugs, even if their administration may hasten the moment of my death.

My Health Care Representative is authorized, in his sole discretion, to obtain my Protected Health Information ("PHI"), and he shall be treated as I would be with regard to the use and dissemination of my PHI and medical records. This authority applies to any information governed by the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), 42 USC 1320d and related regulations, 45 CFR 160-164. I intend that my Health Care Representative, in making decisions pursuant hereto that relate to my health care, be treated as my personal representative for all purposes, as provided in 45 CFR 164.502(g)(2), relating to my health care and in any inquiry relating to my PHI, and I therefore specifically authorize my Health Care Representative to request, obtain, receive and inspect any and all information bearing upon my health, including PHI, relevant to the performance of his duties hereunder (including, but not limited to, all medical treatments and procedures), to sign whatever authorizations for release of information may be required by providers or others, and to waive any rights I may have for breach of confidentiality for the release of such information to my Health Care Representative. The authority given to my Health Care Representative shall supersede any prior agreement that I may have made with my health care providers to restrict access to, or disclosure of, my PHI. The authority given to my Health Care Representative has no expiration date and shall expire only in the event that I revoke the authority in writing and deliver it to my health care provider(s).

In addition, I specifically authorize any physician, dentist or other health care provider, any insurance company, the Medical Information Bureau Inc. and any other health care organization that has provided treatment or services to me or that has paid for or is seeking payment from me for such services to give, disclose and release to my Health Care Representative all of my PHI and medical records regarding any past, present or future physical or mental health condition, including, but not limited to, all information relating to the diagnosis and treatment of HIV/AIDS, sexually transmitted diseases, mental illness and drug or alcohol abuse.

Dated: _____ _____

JANE SMITH

We declare that the person who signed this document did so willingly and voluntarily in our presence, is personally known to us, and is of sound mind and free of duress and undue influence. We are both 18 years of age or older, and neither of us is a designated Health Care Representative for such person.

_____	_____
Signature of Witness	Address
_____	_____
Print Name	
_____	_____
Signature of Witness	Address
_____	_____
Print Name	

ANATOMICAL GIFT

I wish, if feasible, to donate for transplant any part or all of any organ, tissue, eyes, bone, arteries and other parts or portions of my body which may be useful to another person. I intend for this statement of intent to be an anatomical gift within the meaning of N.J.S.A. 26:6-78 et seq. Consistent with this intent, treatment which prolongs my dying may be continued temporarily or modified so as to preserve and protect for transplant the useful portions of my body.

Dated: _____ _____

JANE SMITH

STATE OF NEW JERSEY)

ss:

COUNTY OF BERGEN)

BE IT REMEMBERED, that on this day of , 2013, before me, the subscriber, , personally appeared JANE SMITH, who, I am satisfied, is the person mentioned in the within instrument, and thereupon she acknowledged that she signed, sealed and delivered the same as her voluntary act and deed, for the uses and purposes therein expressed.

_____

HEALTH CARE PROXY DIRECTIVE

KNOW ALL PERSONS BY THESE PRESENTS, That I, AAA, of _____ _____, New Jersey, desiring to execute a health care proxy for health care decisions, do hereby appoint my _____, BBB, my true and lawful Health Care Representative, for me and in my name to exercise the powers set out in this Health Care Proxy Directive as fully and effectually as I could do if I did not lack decision making capacity as defined in the New Jersey Advance Directives for Health Care Act, or under a corresponding statute in any other jurisdiction.

AND, if my Health Care Representative shall for any reason cease to act as Health Care Representative (even temporarily), then my _____, CCC , shall serve as first successor Health Care Representative.

My Health Care Representative (and his successors) shall have the following powers with respect to my personal care and health care decisions:

Section 1. (a) To make any and all decisions regarding my Medical Treatments or Procedures (as hereinafter defined in Section 11 hereof), including the decision to determine when and what treatment or treatments are to be undertaken (or not undertaken) or, once undertaken, continued or discontinued, when, in his judgment, such treatment or treatments are not in my best interest, or pursuant to my wishes as expressed in my Living Will.

(b) To authorize or to decline to authorize my admission to a medical, nursing, residential or similar facility and to enter into agreements on my behalf for my care and only authorize such admission if appropriate care cannot be provided in my home.

(c) To authorize or decline to authorize any Medical Treatments or Procedures, including Life Sustaining Treatment when, in his judgment, a contrary course would not be in my best interest, taking into account my medical condition at the time, the prognosis for recovery, my wishes as set out in my Living Will, or if no such written Living Will exists, then my wishes as otherwise expressed to him, and all other factors that he deems appropriate.

Section 2. To sign any and all consents required for the implementation of any health care decision including the provision of Medical Treatments or Procedures, and to sign any and all waivers of liability on my behalf to the extent reasonably required by Health Care Professionals or Health Care Institutions to secure their good faith compliance with a decision not to initiate or, once begun, to discontinue any Medical Treatments or Procedures.

Section 3. To request, obtain, receive, and inspect any and all information bearing upon my health and relevant to any determinations to be made respecting any health care decision including all Medical Treatments and Procedures, to sign whatever authorizations for release of information which may be required by providers or others, and to waive any rights I may have for breach of confidentiality of medical records for release of such information to my Health Care Representative.

Section 4. To retain counsel and to take any and all legal actions on my behalf and in my name, otherwise as he deems appropriate, that may be necessary or appropriate to obtain compliance with my wishes as expressed elsewhere or as determined by him pursuant to this Health Care Proxy Directive, including but not limited to action to secure appointment of a conservator, guardian, or committee, to obtain a declaratory judgment, or to seek injunctive relief and damages (actual, exemplary or punitive).

Section 5. To retain and make such use of such other agents to assist him in acting under this Health Care Proxy Directive as he may in his sole discretion deem advisable; to designate under this Health Care Proxy Directive another person as such agent, jointly or severally with him, either temporarily or permanently, who shall be designated first from the successor Health Care Representatives, in order of appointment, nominated hereunder and only from persons other than those nominated hereunder, if all of those so nominated are unavailable or refuse to serve; but he shall be under no obligation or duty to appoint another person to serve with him as a Health Care Representative, and it would be contrary to my wishes and intent for any person to require that he do so or to require that he obtain the consent of any other person for any determination which he makes.

Section 6. To do and perform all and every act and thing whatsoever required, necessary or appropriate with respect to my medical care and treatment, in exercise or effectuation of the powers granted under this Health Care Proxy Directive.

Section 7. To determine in his discretion the time when, purpose for, and manner in which any power granted to him by this Health Care Proxy Directive shall be exercised, and the conditions to be accepted or waivers to be granted incident thereto.

Section 8. This Health Care Proxy Directive shall not be affected by my disability or incompetence.

Section 9. A Health Care Professional or Health Care Institution who relies in good faith on a consent or waiver given under this Health Care Proxy Directive shall incur no liability for any act or omission undertaken at the direction of my Health Care Representative.

Section 10. If for any reason any provision of this Health Care Proxy Directive is determined not to be legally binding in any regard, I ask that it be deemed separable and that all other provisions be deemed binding to the greatest extent possible, and that each provision nonetheless be honored to the fullest extent possible by my family, Health Care Representatives, attorney, attending physicians, Health Care Professionals, Health Care Institutions, and others who may provide Medical Treatments or Procedures or be involved in decisions respecting my care, as the expression of my will.

Section 11. For purposes of this Health Care Proxy Directive, the term "Medical Treatments" or "Procedures" shall mean interventions by doctors, nurses, paramedics, or any other Health Care Professional or Health Care Institution in the care of my body and mind, including all medical and surgical procedures, mechanical or otherwise, treatments, therapies, including drugs and hormones, which may substitute for, replace, supplant, enhance or assist any bodily function. This specifically includes Life Sustaining Treatment which, by way of illustration and not limitation, shall mean the use of any medical device or procedure to artificially maintain respiration, by means of ventilation or otherwise, and alimentation or hydration by means of surgical intubation, intravenous injection, or otherwise, and with respect to all Medical Treatments and Procedures, it includes existing technology as well as any methods or techniques which may be hereafter developed and perfected.

Section 12. I intend for my Health Care Representative to be treated as I would with regard to the use and dissemination of my individually identifiable health information and medical records. This authority applies to any information governed by the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), 42 USC 1320d and CFR 160-164. I specifically authorize; any physician, dentist, health care professional, medical provider, health plan, hospital, clinic, laboratory, pharmacy or other covered health care provider, any insurance company and the Medical Information Bureau, Inc., or other health care organization that has provided treatment or services to me or that has paid for or is seeking payment from me for such services, to give, disclose, and release same to my Health Care Representative;

to disclose all of my individually identifiable health information and medical records regarding any past, present or future medical or mental health condition; to exercise all rights under HIPAA; to access all "Protected Health Information" pursuant to (or notwithstanding any provision of) HIPAA; and to include all information relating to the diagnosis and treatment of HIV/AIDS, sexually transmitted diseases, mental illness and drug or alcohol abuse.

I HEREBY RATIFY ALL that my Health Care Representative shall do or cause to be done by virtue of this Health Care Proxy Directive, and hold harmless my Health Care Representative for any action taken in good faith, without fraud, pursuant to this Health Care Proxy Directive. I hereby authorize and direct whoever shall be responsible for my estate or have power over any property of mine to reimburse my Health Care Representative for any costs (including legal fees) reasonably incurred by him in or as a result of acting in good faith, without fraud, pursuant to this Health Care Proxy Directive.

In all references herein to any Health Care Representative, the use of any particular gender or the plural or singular number is intended to include the appropriate gender or number as the text of this my Health Care Proxy Directive.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this _____ day of _____, 2013.

WITNESS:

_____ _____(L.S.)
AAA

STATE OF NEW JERSEY :
: SS.
COUNTY OF SOMERSET:

BE IT REMEMBERED, that on this _____ day of _____, 2013, before me, the subscriber, personally appeared AAA, who I am satisfied is the person named in the within document, and who acknowledged in the presence of the witnesses that he signed, sealed and delivered the same as his voluntary act and deed, for the uses and purposes therein expressed.

_____

INSTRUMENT OF ANATOMICAL GIFT[1]

I, _____, of _____, as Donor, make this anatomical gift to take effect upon my death and prior to embalment of my body, hereby revoking all such instruments heretofore made by me.

Eyes

First: I give to the _____EYE BANK of_____ or to any eye bank serving the area in which my death occurs, both or either of my eyes for such use as the Donee may see fit with regard to all or any part of said eyes.

Temporal Bones/Body

Second: I give to _____ Medical School, my temporal bones, (the middle and inner ear portions, including the hearing nerve and its central pathways) and any organ of my body (other than my eyes) to be used for any appropriate purpose and authorize any portion of my bones to be transplanted to the body of any other person. Subject to the foregoing gift, I give my entire body (other than my eyes) to _____ Medical School, for the promotion of anatomical study and teaching. I direct that after these purposes have been accomplished, my remains be buried in _____Cemetery[2] with the services of a [Priest/Minister/Rabbi] of the _____ faith.

IN WITNESS WHEREOF, I, the said_____ have hereunto set my hand this _____ day of _____, 20__.

_____
(Donor)

The foregoing instrument was signed by _____ in the presence of the undersigned witnesses, who, in his presence, have hereunto subscribed our names as witnesses this _____ day of_____, 20__.

_____ residing at _____

_____ residing at _____

[1]STATUTORY PROVISIONS AS TO DISPOSITION OF HUMAN BODY OR PARTS THEREOF. New Jersey has adopted the Uniform Anatomical Gift Act, N.J.S.A. 26:6-57 to 26:6-65. Under the Act, a person 18 years of age or over may make a gift of all or part of his body, either by a will, or by a document other than a will, signed by him in the presence of two witnesses who must sign the document in his presence. The will or document may be amended or revoked as stated in the statute. The gift may be made to (a) a hospital, surgeon or physician, for medical or dental education, research, advancement of medical or dental science, therapy or transplantation, or (b) any accredited medical or dental school for education, research or advancement of medical science, or therapy, or (c) any bank or storage facility for medical or dental education, research, advancement, therapy or transplanting, or (d) any specified individual for therapy or transplantation needed by him. Furthermore, any of the following persons, in order of priority stated, when persons in proper classes are not available at the time of death, and in absence of actual notice of contrary indications by the decedent, may give any part of decedent's body for any of the aforementioned purposes: the spouse; an adult son or daughter; either parent; an adult brother or sister; the guardian of the person; or any other authorized person.

[2]DISPOSITION OF REMAINS. If the donee accepts a gift of the entire body, he may, subject to the terms of the gift, authorize embalming and the use of the body in funeral services and, after it has served its scientific purposes, provide for its disposal by burial or cremation. If the gift is of a part of the body, the donee shall cause the same to be removed without unnecessary mutilations and the custody of the remainder of the body vests in the surviving spouse, next-of-kin, or the person under obligation to dispose of the same.

REVOCABLE LIVING TRUST*

THIS AGREEMENT, made this day of , 2013, by and between JOHN SMITH, residing at 123 Main Street, Paramus, New Jersey (hereinafter referred to as the "Grantor") and the said JOHN SMITH (hereinafter also referred to as the "Trustee"):

W I T N E S S E T H:

WHEREAS the Grantor, desirous of making financial provisions for himself and his family, has decided to create the within trust, to be known as the "JOHN SMITH REVOCABLE TRUST";

NOW, THEREFORE, in consideration of the premises and of the covenants herein contained, the Grantor has herewith delivered, and does hereby grant, convey, assign and set over to the Trustee, the property described in Schedule A annexed hereto, to be held in trust by the Trustee for the following uses and purposes:

ARTICLE I

Until the death of the Grantor, the Trustee shall administer the said trust fund, including any other cash, securities, or other property, real, personal or mixed, at any time forming a part of this trust, as follows:

A. The Grantor shall have the absolute right, at any time and from time to time, upon written request to the Trustee, to receive payment out of the net income and/or principal of the trust of such amount or amounts (including the whole thereof) as he shall request, for any or no purpose at all.

B. In addition to the aforementioned payment of the net income and/or principal of the trust pursuant to the Grantor's request, the Trustee, at any time or times that he shall deem it advisable, may pay to the Grantor, or apply for his benefit, so much, all or none of the net income of the trust, and/or such sum or sums out of the principal of the trust (including the whole thereof), as the Trustee, in his discretion, shall deem reasonably necessary to provide for the Grantor's health, maintenance and support, as well as for any other reason, purpose or cause.

C. The Trustee shall add to the principal of the trust any net income thereof not so expended in any fiscal year of the trust pursuant to subarticle A or B hereof.

ARTICLE II

Subject to subarticle C of this Article II, upon the death of the Grantor, the Trustee shall receive and collect any property, interest in property and money which may be payable to the

* Provided by Shoobe & Bakarich, P.C., Paramus, New Jersey

Trustee as a result of the death of the Grantor or any other person, whether under the Last Will and Testament of the Grantor or any other person, or otherwise; the Trustee shall add the same to any other assets then in his possession; and he shall administer all such assets as follows:

A. If the Grantor's wife, JANE SMITH, shall survive him, the Trustee shall hold all such assets as a separate trust for JANE's benefit, pursuant to Article III hereof.

B. If the Grantor's wife, JANE SMITH, shall predecease him, the Trustee shall administer all such assets as follows:

1. The Trustee shall set aside the sum of five hundred thousand ($500,000) dollars and all interests received or owned by the trust in (i) the residence located at 10 Mountain View, Lake Side, New Jersey 07777, (ii) the time share(s) located at Savannah, Georgia and known as Time Share 1 and (iii) the time share(s) located at Charleston, South Carolina and known as Time Share 2, together with all interests in any insurance policies relating thereto, and shall hold the same in trust pursuant to the provisions of Article V hereof.

The aforesaid sum of five hundred thousand ($500,000) dollars shall be reduced, dollar for dollar, by any sums set aside pursuant to other provisions of this Agreement or the Grantor's Last Will and Testament, or pursuant to provisions in the Last Will and Testament of the Grantor's wife, JANE SMITH, or in any trust established by her during her lifetime, it being the Grantor's intention that no more than five hundred thousand ($500,000) dollars in the aggregate shall be set aside in the trust or trusts that shall hold the interests in the aforesaid residence and time shares.

2. The remainder of the assets received by the Trustee, after satisfaction of the allocation in paragraph 1 hereof, shall be paid over and distributed to those of the Grantor's children, KATHLEEN SMITH, NANCY SMITH and ELLEN SMITH, who shall survive the Grantor, and to the descendants surviving the Grantor of any such child of his who shall predecease him, per stirpes; provided, however, that any sums thus payable to any descendant of a deceased child of the Grantor who shall be under the age of thirty (30) years at the time of the Grantor's death, shall be held by the Trustee, hereinafter named, as a separate trust for the benefit of such person pursuant to the provisions of Article VI hereof. In determining the assets to be allocated to the aforesaid distributions, there shall be allocated to the distribution to KATHLEEN (or her descendants if she shall not survive the Grantor) all of the Grantor's interest, if any, in a certain agreement among the Grantor, his wife, JANE SMITH, his daughter, KATHLEEN SMITH, and his son-in-law, JOSEPH PERRY, regarding property located at 12 Island Drive, Honolulu, Hawaii, with the value of such interest to be determined by the executors or administrators of the Grantor's estate.

C. Anything in this Article II to the contrary notwithstanding, any assets received by the Trustee as a result of a disclaimer by the Grantor's wife, JANE SMITH, shall be held as a separate trust for JANE's benefit and administered as if JANE survived the Grantor, notwithstanding any contrary statutory provisions governing the distribution of disclaimed property, pursuant to the provisions of Article IV hereof.

D. If the Grantor and his wife, JANE SMITH, shall die at the same time, within one hundred twenty (120) hours of each other or under such circumstances that the order of their deaths cannot be determined with certainty, then for all purposes of this trust agreement, or otherwise, JANE shall be deemed to have survived the Grantor.

ARTICLE III

The Trustee shall administer the assets required to be held as a separate trust hereunder for the benefit of the Grantor's wife, JANE SMITH, pursuant to subarticle A of Article II hereof as follows:

A. Until the death of the Grantor's wife, JANE SMITH:

1. The Trustee shall pay to JANE, or apply for her benefit, the entire net income of the trust, at convenient intervals, but not less often than quarter-annually. In addition, JANE shall have the right, exercisable at any time and from time to time, upon written request to the Trustee, to receive payment out of the principal of the trust of such amount or amounts as she shall deem reasonably necessary to provide for her health, maintenance and support. If, in the judgment of the Trustee, other than JANE, she is incapable of exercising such right, such Trustee may exercise such right on JANE's behalf while such incapacity shall exist. In the exercise of such right by the Trustee, he shall consider that it is the Grantor's primary intention that JANE, for as long as she shall live, shall continue to enjoy the same standard of living that she enjoyed at the time of the Grantor's death, and that preservation of principal for the remaindermen of the trust shall be subordinate thereto.

In addition to the aforementioned payments of net income and principal, JANE shall have the absolute right, exercisable only during the last ten (10) days of each calendar year, upon written request to the Trustee, to receive payment out of the principal of the trust of such amount or amounts as she shall desire, for any purpose at all, not to exceed in the aggregate, however, in any one calendar year, an amount equal to five (5%) percent of the value of the trust as of the last day of such calendar year. Amounts not so withdrawn in any one year shall not be added to or increase amounts subject to withdrawal in any succeeding year. The right contained in this paragraph shall apply only if the election mentioned in subarticle C of this Article III shall not have been made as to any part of the trust. If such election shall have been made as to part, but not all, of the trust, and if the Trustee shall have separated the trust as authorized in said subarticle C, then such right shall apply with respect to the separate trust consisting of the portion with respect to which the election was not made.

2. It is the Grantor's intention that JANE shall have substantially that degree of beneficial enjoyment of this trust during her life which the principles of the law of trusts applicable in the State of New Jersey accord to a person who is unqualifiedly designated as the life beneficiary of a trust. Accordingly, the Trustee shall so manage this trust as to produce for JANE a distributable income consistent with the value of the principal of the trust and its preservation, and shall not retain as principal thereof any assets which shall not be productive of income unless she shall consent thereto which consent, if granted, can be revoked at any time. No powers, rights or

discretions granted to the Trustee hereunder shall be construed in such a way as to deprive JANE of said beneficial enjoyment of the trust.

3. JANE shall have the right to disclaim, or to renounce, at any time, any one or more of the rights, powers or options contained in this subarticle A relating to distribution or use of principal of the trust to her or for her benefit.

4. The provisions of Article IX hereof shall not apply to prevent the sale by a remainderman of the trust of his or her remainder interest in the trust to the trust or to JANE, nor shall they apply to prevent assignment by JANE of all or part of her interest in trust income to one or more organizations described in both of Sections 170(c) and 2522(a) of the Code.

B. Upon the death of the Grantor's wife, JANE SMITH, any income of the trust that shall then be accrued but not received, or received but not distributed, shall be paid over and distributed to JANE's estate and JANE shall have the right to appoint the then remaining principal of the trust to and among such of the Grantor's descendants as she shall desire, and the Trustee shall transfer and set over such principal in accordance with any exercise of such power. This power of appointment may be exercised by JANE by (and only by) specific provision in her Last Will and Testament making reference hereto, and may be exercised in favor of the permissible appointees in such proportions and amounts, and upon such estates, whether in trust or otherwise, as she shall desire, but may not be exercised for the purpose of discharging a legal obligation (whether for support or any other purpose) of JANE or for her pecuniary benefit. Any portion of the principal of the trust remaining at the date of death of JANE which she shall not have validly appointed by her Last Will and Testament as above provided shall be paid over and distributed as set forth in subarticle B of Article II hereof, as if JANE had predeceased the Grantor and he had died at the time of her death.

C. With respect to the trust hereinabove created for the benefit of the Grantor's wife, JANE SMITH, it is the Grantor's expectation that the executors or administrators of his estate shall make the election provided for in Section 2056(b)(7) of the Code, so that so much of said trust as shall be required to decrease the Grantor's taxable estate for Federal or State estate (but not inheritance) tax purposes to the maximum amount possible without requiring payment of any such taxes shall qualify for the Federal estate tax marital deduction, but his executors or administrators shall have the discretion, not to do so, in whole or in part. If the executors or administrators of the Grantor's estate shall make the aforesaid election as to part, but less than all, of said trust, the Trustee may, but shall not be required to, separate said trust into two separate trusts, each to be administered in accordance with the foregoing provisions, with one separate trust consisting of the portion of said trust with respect to which such election was made and the other separate trust consisting of the portion with respect to which the election was not made. Assets allocated to each such trust shall be valued for such purpose as of the date of allocation.

In addition, if the executors or administrators of the Grantor's estate shall make the election provided for in said Section 2056(b)(7) with respect to any portion of the trust hereinabove created, or any separate trust created therefrom, then it is the Grantor's expectation that his executors or administrators also shall consider making the election provided for in Section 2652(a)(3)(A) of the Code to treat so much of such portion, or of such separate trust, as shall be

appropriate, for purposes of the generation-skipping transfer tax, as if the election provided for in said Section 2056(b)(7) had not been made, so that the Grantor's unused GST exemption may be allocated to such portion or such separate trust, but his executors or administrators shall have the discretion, not to do so, in whole or in part. The Trustee is hereby authorized to further separate such portion or such separate trust, in the manner set forth above, to facilitate said election and allocation of GST exemption.

D. If, following the death of Grantor's wife, JANE SMITH, the Trustee shall receive notification from the executors or administrators of her estate that they intend to recover from the person or persons receiving the assets of the trust, or any separate trust created therefrom, all or part of the increase in Federal and State estate taxes payable by her estate due to the inclusion in her gross estate for Federal and State estate tax purposes of all or part of the value of such trust(s) upon her death, pursuant to Section 2207A of the Code and applicable State law, then (i) to the extent permitted by law, the total amount to be so recovered from all such trusts shall first be paid out of the trust(s) for which the election provided for in Section 2652(a)(3)(A) of the Code shall not have been made, and any balance shall then be paid out of the trust(s) for which the election provided for in said Section 2652(a)(3)(A) shall have been made, and (ii) prior to making any distribution, division or other disposition of the then remaining principal of such trust(s), the Trustee may, but shall not be required to, lend to such executors or administrators, or advance to them, so much or all of the amount to be so recovered as the Trustee, in his discretion, shall deem advisable. Such loan or advancement need not await the actual payment by JANE's estate of its Federal and State estate taxes, and in the exercise of his discretion hereunder the Trustee may take into account the best interests of JANE's estate and the recipients thereof, including any expense or loss it or they may incur as a result of having to pay such taxes without the benefit of such loan or advancement. The Trustee shall be entitled to rely upon the written advice of the executors or administrators of JANE's estate attesting to both the amount that they are entitled to recover (which may be an estimate) and the reasons why such loan or advancement is requested, without the necessity of verifying the same.

E. With respect to any qualified retirement plan, any qualified retirement annuity or any individual retirement account, as defined in Sections 401(a), 403(a) or (b) and 408(a) of the Code (hereinafter referred to individually and collectively as a or the "retirement fund"), payable to the trust created hereunder for the benefit of the Grantor's wife, JANE SMITH:

1. The Trustee shall withdraw from the retirement fund, during each year, not less than the greater of (i) all of the income of the retirement fund or (ii) the minimum required distribution pursuant to the applicable provisions of Sections 401(a)(9) and/or 408(a)(6) of the Code and the Regulations thereunder.

2. The Trustee shall treat as income of the trust (to be distributed to JANE at least quarter-annually, as set forth in the trust) both (i) the income earned on the undistributed portion of the retirement fund and (ii) the income earned by the trust on the distributed portion of the retirement fund, notwithstanding the treatment of such earned income under any law concerning the determination of income and principal for trust accounting purposes.

3. The Trustee (i) shall allocate to principal of the trust all distributions from the retirement fund not allocated to income as provided in paragraph 2 hereof, and (ii) shall charge against the principal of the trust all of the trust's expenses normally allocated to principal under applicable law, including any income taxes payable on any distribution from the retirement fund allocated to principal.

4. The Trustee, upon the death of JANE, shall withdraw the undistributed balance of the retirement fund not less rapidly than required by applicable law.

5. In addition to the foregoing, the Trustee shall have the right

(i) to increase or accelerate the payment of the retirement fund,

(ii) to direct the investments of the retirement fund,

(iii) to elect against having income tax withheld on any distribution from the retirement fund,

(iv) to demand compensatory distributions from the retirement fund if income tax is nevertheless withheld at the fund level, and

(v) to exercise all other rights to which the Trustee may be entitled as beneficiary of the retirement fund.

6. JANE shall have full power to compel the Trustee to follow the aforesaid directions. She shall also have the right to require that the Trustee direct the trustee, custodian or holder of the retirement fund to make the assets of the fund productive of income or to convert such assets into productive assets, so that her beneficial enjoyment of said fund shall be identical to her beneficial enjoyment of the trust, as hereinabove set forth.

7. It is the Grantor's expectation that if the executors or administrators of his estate shall make the election provided for in Sections 2056(b)(7) and 2652(a)(3)(A) of the Code with respect to any portion of the trust hereinabove created, then they shall consider making the same election for the retirement fund, so that it too shall qualify for the Federal estate tax marital deduction and the Grantor's unused GST exemption may be allocated to the applicable portion of the retirement fund, to the extent appropriate and consistent with either such elections that may be made with respect to the trust, as set forth in subarticle C hereof. The provisions of subarticles C and D hereof shall likewise apply to the retirement fund, to the extent appropriate and consistent with the Grantor's intention as set forth in paragraph 8 hereof.

8. It is the Grantor's intention by use of the foregoing provisions to qualify the trust and the retirement fund for the Federal estate tax marital deduction by complying with the requirements of Revenue Rulings 2000-2 and 2006-26 and Sections 401(a)(9) and/or 408(a)(6) of the Code and the Regulations thereunder, and the Grantor hereby directs that said provisions and any beneficiary designation with respect to said retirement fund be interpreted in a manner consistent with such intention.

ARTICLE IV

The Trustee shall administer the assets required to be held as a separate trust hereunder for the benefit of the Grantor's wife, JANE SMITH, pursuant to subarticle C of Article II hereof as follows:

A. Until the death of the Grantor's wife, JANE SMITH, the Trustee shall pay to her, or apply for her benefit, the entire net income of the trust, at convenient intervals, but not less often than quarter-annually. In addition, JANE shall have the right, exercisable at any time and from time to time, upon written request to the Trustee, to receive payment out of the principal of the trust of such amount or amounts as she shall deem reasonably necessary to provide for her health, maintenance and support. If, in the judgment of the Trustee, other than JANE, she is incapable of exercising such right, such Trustee may exercise such right on JANE's behalf while such incapacity shall exist. In the exercise of such right by such Trustee, he shall consider that it is the Grantor's primary intention that JANE, for as long as she shall live, shall continue to enjoy the same standard of living that she enjoyed at the time of the Grantor's death, and that preservation of principal for the remaindermen of the trust shall be subordinate thereto.

In addition to the aforementioned payments of net income and principal, JANE shall have the right, exercisable only during the last ten (10) days of each calendar year, upon written request to the Trustee, to receive payment out of the principal of the trust of such amount or amounts as she shall desire, for any purpose at all, not to exceed in the aggregate, however, in any one calendar year, an amount equal to five (5%) percent of the value of the trust as of the last day of such calendar year. Amounts not so withdrawn in any one year shall not be added to or increase amounts subject to withdrawal in any succeeding year.

B. Upon the death of the Grantor's wife, JANE SMITH, the then remaining principal and undistributed income of the trust shall be paid over and distributed as set forth in subarticle B of Article II hereof, as if JANE had predeceased the Grantor and he had died at the time of her death.

ARTICLE V

The Trustee shall administer the assets required to be held as a separate trust hereunder pursuant to paragraph 1 of subarticle B of Article II hereof as follows:

A. Until the death of the last to die of the Grantor's children, KATHLEEN SMITH, NANCY SMITH and ELLEN SMITH (each a "beneficiary" and together the "beneficiaries"), and while the trust shall hold an interest in a residence and/or time share(s) (the "properties"):

1. The beneficiaries and their descendants shall have the right to use the properties, at such times as the Trustee, in his discretion, shall determine. The beneficiaries shall not be required to post bond or other security with respect to said properties. The Trustee shall pay

all expenses of maintenance and upkeep incurred in connection with said properties, including, but not limited to, utilities, taxes, insurance, repairs and mortgage interest and amortization. In addition, the Trustee shall pay (i) all reasonable expenses of travel of the beneficiaries and their descendants to and from the properties and (ii) all reasonable expenses incurred by the beneficiaries while using the properties, as the Trustee, other than the beneficiary thereof, shall determine. All such expenses shall be paid out of the income and/or principal of the trust to the extent that the trust shall hold assets in addition to the properties. If the trust shall not hold such additional assets, then the Trustee shall make whatever arrangements he shall deem advisable (including, but not limited to, renting or mortgaging the properties or charging the beneficiaries and their descendants for their use of the properties) for the purpose of paying such expenses.

2. Subject to paragraph 3 hereof: The consent of a majority of the beneficiaries shall be required for the sale of any interest in the properties. Such majority also shall have the right, at any time, to direct the Trustee to sell any interest in the properties and to invest the proceeds of such sale in the purchase or construction of a new residence or time share, except that if any beneficiary shall contribute other assets in order to acquire or construct said new residence or time share, then he or she shall have a fee interest in the portion of said new residence or time share acquired or constructed with such assets.

3. Each purchaser in the sale of any interest in the residence located at 10 Mountain View, Lake Side, New Jersey 07777 must be a descendant of the Grantor's grandfather, HOWARD SMITH, or an entity owned by, or created for the benefit of, only such descendant(s), unless such purchaser is purchasing all of the other ten (10) residences located in the lake colony.

4. If a majority of the beneficiaries shall consent to the sale of any interest in the properties, then the beneficiaries shall have the first opportunity to purchase such interest at its fair market value as determined by the Trustee. This right is personal to the beneficiaries and may not be exercised by their descendants, heirs, successors, executors, administrators or assigns. Said right shall be exercised by delivering to the Trustee an instrument in writing to that effect within thirty (30) days after the majority of the beneficiaries shall give their consent.

In the event more than one beneficiary shall exercise the aforesaid right with reference to any interest in the properties, then such interest shall be allocated equally among such beneficiaries. If no beneficiary exercises his or her right to purchase the interest, then said interest shall be sold at such time and at such price determined to be reasonable by the Trustee.

B. Upon the first to occur of (i) the death of the last to die of the Grantor's children, KATHLEEN SMITH, NANCY SMITH and ELLEN SMITH, or (ii) the sale of all of the properties without the investment of the proceeds in the purchase or construction of a new residence or time share, the Trustee shall pay over and distribute the then remaining principal of the trust (excluding any portion of any new residence and/or time share in which any beneficiary shall have a fee interest), together with any undistributed income thereof, to those of the Grantor's children, KATHLEEN SMITH, NANCY SMITH and ELLEN SMITH, who shall then be living, and to the then living descendants of any such child of the Grantor who shall then be deceased, per stirpes; provided, however, that any sums thus payable to any descendant of a deceased child of the Grantor who shall then be under the age of thirty (30) years, shall be held by the Trustee,

hereinafter named, as a separate trust for the benefit of such person pursuant to the provisions of Article VI hereof.

ARTICLE VI

The Trustee shall administer the assets required to be held as a separate trust hereunder for the benefit of a descendant of a deceased child of the Grantor, pursuant to other provisions of this Agreement, as follows:

A. Subject to subarticle D hereof, until the attainment of the age of twenty-one (21) years by the beneficiary of the trust, the Trustee, at any time or times that he shall deem it advisable, may apply for the benefit of the beneficiary, or pay over to him or her, so much, all or none of the net income of the trust as the Trustee, in his discretion, shall deem advisable.

B. From and after the attainment of the age of twenty-one (21) years by the beneficiary of the trust, and until the termination thereof, the Trustee shall apply for the benefit of the beneficiary, or pay over to him or her, all of the net income of the trust, at convenient intervals, but not less often than quarter-annually.

C. Subject to subarticle D hereof, prior to the distribution of all of the principal of the trust, the Trustee, at any time or times that he shall deem it advisable, may apply for the benefit of the beneficiary thereof, or pay over to him or her, such sum or sums out of the principal of the trust (including the whole thereof) as the Trustee, in his discretion, shall deem advisable.

D. While a parent of the beneficiary shall be serving as a Trustee, in the exercise of his discretion in subarticles A and C hereof, the Trustee shall have the broadest latitude and independence; for this reason, no standards or guides relating to the exercise of such discretion shall be applicable, except that no payment or application of trust income or principal shall be made which shall have the purpose or effect of discharging a legal obligation (whether for support or any other purpose) of such parent, or which shall be for his or her benefit. The standards of invasion contained in subarticle B of Article VIII hereof shall not apply to such trust while a parent of the beneficiary shall be serving as a Trustee hereof.

E. Upon the attainment of the age of twenty-five (25) years by the beneficiary of the trust, or upon the establishment of the trust if he or she shall then have attained the age of twenty-five (25) years but shall not then have attained the age of thirty (30) years, the Trustee shall pay over and distribute to him or her one-half (1/2) of the then remaining principal of the trust; and upon the attainment of the age of thirty (30) years by the beneficiary, or upon the establishment of the trust if he or she shall then have attained such age, the Trustee shall pay over and distribute to him or her all of the then remaining principal of the trust (together with all undistributed income), whereupon the trust shall terminate.

F. If the beneficiary of the trust shall die before attaining the age of thirty (30) years, the principal of the trust remaining at his or her death (together with all undistributed income) shall be paid over and distributed to his or her then living descendants, per stirpes, and in default of such

descendants, the same shall be paid over and distributed to those of the beneficiary's siblings who shall then be living and to the then living descendants of any sibling of the beneficiary who shall then be deceased, per stirpes; and in default of such siblings and descendants of a deceased sibling, to the then living descendants of that child of the Grantor who shall be the ancestor of the beneficiary, per stirpes, and in default of such ancestor's descendants, to those of the Grantor's children, KATHLEEN SMITH, NANCY SMITH and ELLEN SMITH, who shall then be living and to the then living descendants of any such child of the Grantor who shall then be deceased, per stirpes; provided, however, that: (i) any sums thus payable to any descendant of a deceased child of the Grantor for whose benefit a trust created hereunder shall then still be in existence shall be added to the principal of such trust, and shall be held and distributed as part thereof, and (ii) any sums thus payable to any descendant of a deceased child of the Grantor who shall then be under the age of thirty (30) years and for whose benefit there shall not then be in existence a trust created hereunder, shall be held in trust for the benefit of such person pursuant to the provisions of this Article VI.

ARTICLE VII

Anything in this Agreement to the contrary notwithstanding:

A. Any trust created hereunder which shall be or become subject to a rule against perpetuities and which, by its terms, shall not have terminated on or before the date which is twenty-one (21) years after the death of the last survivor of the Grantor, his wife, JANE SMITH, and those of the Grantor's descendants who shall survive him, shall nevertheless terminate on such date, and the principal and undistributed income thereof shall thereupon be paid over and distributed free of trust to the then current income beneficiary thereof, or the current income beneficiaries thereof, in equal shares, if more than one.

B If any beneficiary or remainderman hereunder, other than the Grantor's wife, JANE SMITH, shall survive him but shall die within ninety (90) days of his death, such beneficiary or remainderman shall be deemed to have predeceased the Grantor.

C. If any beneficiary or remainderman hereunder shall survive the Grantor's wife, JANE SMITH, but shall die within ninety (90) days of her death, such beneficiary shall be deemed to have predeceased JANE.

ARTICLE VIII

A. Whenever, pursuant to the terms of this Agreement, the Trustee is directed to hold any property in trust, the Trustee shall hold the same; shall manage, administer, invest and reinvest the principal of the trust; shall collect and receive the income thereof; shall pay any and all expenses incident to the operation of such trust; and shall distribute the net income and principal thereof in the manner set forth.

B. Whenever, pursuant to the terms of this Agreement, the Trustee is given discretion to pay to a beneficiary of any trust created hereunder, or to apply for his or her benefit, such portions of the income of the trust, and/or such sums out of the principal of the trust, as the Trustee shall deem advisable, the Trustee may make such payment or application solely to provide for such beneficiary's health, maintenance, support and education (including undergraduate and postgraduate education). In the case of income, the Trustee shall add to the principal of the trust any such net income not so expended in any fiscal year of the trust.

C. Whenever, pursuant to the terms of this Agreement, the Trustee is given discretion to pay to a beneficiary of any trust created hereunder, or to apply for his or her benefit, portions of the income and/or principal of the trust, the Trustee may take into consideration, but shall not be required to do so, any other income or property which may be available to such beneficiary, including the support which a spouse or parent does provide, or is obligated to provide.

D. Whenever, pursuant to the terms of this Agreement, the Trustee is given discretion to pay or to apply income or principal of a trust to or for the benefit of a minor, the Trustee may, in his discretion, make such payment or application by expending the same directly for the benefit of such minor, or by paying the amount so to be paid or applied to the parent or legal guardian of such minor, or to the person with whom such minor may reside, or to a person standing in the place of a parent to such minor, or to a Custodian for such minor designated by the Trustee under an applicable Uniform Transfers to Minors Act or Uniform Gifts to Minors Act, or directly to such minor, or otherwise, as the Trustee may, from time to time, deem expedient, and the receipt of such minor or such other payee shall be a full acquittance to the Trustee to the extent of such payments.

The provisions of this subarticle D shall also apply, to the extent applicable, whenever the Trustee is given discretion to pay or apply income or principal of a trust to or for the benefit of a person who, in his judgment, is incapable of adequately managing such income or principal.

E. Whenever, pursuant to the terms of this Agreement, a person is given the discretion, whether in a fiduciary or non-fiduciary capacity, and whether alone or in conjunction with another person, to pay or to apply income and/or principal of any trust created hereunder to himself or herself or for his or her own benefit, and the purposes for which such payment or application can be made are not limited to such person's reasonable needs relating to health, maintenance, support and education, such purposes shall be deemed to be so limited, anything contained in this Agreement to the contrary notwithstanding. If such discretion is held by more than one person, any of whom is not a person to, or on whose behalf, income and/or principal can be so paid or applied, such other person or persons may exercise the discretion granted without reference to the limitations herein set forth. This subarticle shall not apply, however, to a right of withdrawal if the amount which could be withdrawn is limited so that it does not exceed the dollar or percentage limitation contained in Section 2514(e) of the Code.

F. Whenever, pursuant to the terms of this Agreement, a person is given the discretion, whether in a fiduciary or non-fiduciary capacity, and whether alone or in conjunction with another person, to pay or to apply income and/or principal of any trust created hereunder to or for the benefit of any other person, then the purposes for which such payment or application can be

made shall be limited to those which do not relieve the person having such discretion of a legal obligation, whether for support or any other purpose, anything contained in this Agreement to the contrary notwithstanding. If such discretion is held by more than one person, any of whom is not a person whose legal obligation could be relieved by such payment or application, such other person or persons may exercise the discretion granted without reference to the limitation herein set forth.

G. Whenever, pursuant to the terms of this Agreement, there shall be more than one beneficiary of any one trust, and the Trustee is given discretion to utilize income and/or principal of such trust for their benefit, the Trustee may pay or apply such income and/or principal to or for the benefit of such beneficiaries equally or unequally, or to or for the benefit of any of them to the exclusion of others (subject only to such preference, if any, of one beneficiary over any other as may be specifically stated under the terms of such trust), so that utilization of trust income and principal among such beneficiaries according to their respective needs shall take precedence over equal distribution thereof.

ARTICLE IX

The interest of any beneficiary or remainderman in any trust created hereunder, either in income or in principal, or in both, shall not be subject to sale, assignment, pledge or transfer in any manner, and such interest shall not be liable or subject in any manner while in the possession of the Trustee for the debts, contracts, obligations, liabilities, engagements, undertakings or torts of any such beneficiary or remainderman. No beneficiary or remainderman shall have the power in any manner to anticipate, charge or encumber his or her interest, either in income or in principal, or in both.

ARTICLE X

For all purposes under this instrument, whether for the determination of relationships or otherwise:

A. Adopted children of the Grantor shall be considered to have, and shall be given, the same status as natural-born children and adopted children of any other person shall be considered to have, and shall be given, the same status as natural-born children only if the child was a minor when adopted and lived while a minor (either before or after the adoption) as a regular member of the household of the adopting parent. All references in this Agreement to children or descendants of the Grantor or any other person shall include, and the Grantor directs that this Agreement shall be effective notwithstanding the fact that there shall be, any child, children, descendant or descendants of the Grantor or any other person born or adopted after the date of execution hereof.

B. No one claiming to be a natural-born descendant of another person shall be considered as such unless the claimant and the purported parent had established a child-parent relationship prior to the time in question and they had lived together, while the claimant was a minor, as child and parent in the same household. The purpose of this paragraph is to prevent

someone from successfully claiming to be a person's child although never acknowledged to be such and it shall apply notwithstanding any provision of law to the contrary.

ARTICLE XI

Any portion of the principal of any trust created hereunder vesting in absolute ownership in a person who is a minor and/or who, in the judgment of the Trustee, is incapable of adequately managing such assets, may be held for the benefit of such person by the Trustee until such minor shall attain majority and/or, in the judgment of the Trustee, such incapacity shall cease to exist. During such period, the Trustee so holding such property shall have all the powers and authority herein granted to him with respect to any trust created hereunder; shall not be required to furnish bond or other security; and may pay or apply to or for the benefit of such person, in any applicable manner set forth in subarticle D of Article VIII hereof, such portions, or all, of the property so held, and/or the income earned thereon, as he shall deem to be in the best interest of such person, accumulating as principal any income not so expended in any year. The authority granted to the Trustee hereunder shall be in addition to, and not in lieu of, any other alternative available to him with respect to the administration and distribution of such portion of the principal of the trust, and it shall be construed as a power only, and shall not operate to suspend the absolute ownership of such property, or of such accumulations of income, if any, by such person, nor shall it prevent the absolute vesting thereof in such person.

ARTICLE XII

A. The Grantor, from time to time, may cause all or part of the proceeds of a policy or policies of insurance on his life, or other death benefits, to be made payable to the Trustee. Unless otherwise specified in the appropriate beneficiary designation, such policies or death benefits, and the proceeds thereof made payable to the Trustee, shall be subject to all of the terms and conditions of this Agreement in the same manner as if they had been made payable hereto at the time of the making and execution hereof. All references herein to insurance policies shall be deemed to include any insurance policy or policies, or death benefit, the proceeds of which are hereafter made payable to the Trustee, or may be payable to the Trustee upon the occurrence of certain contingencies.

B. The Grantor retains, and during his lifetime shall have the sole right to exercise, any and all of the rights, benefits, elections, privileges, options and other incidents of ownership of whatsoever kind appertaining to any insurance policy on his life subject to this Agreement, without in any way first securing the consent of the Trustee thereto, including without limitation the right to change beneficiaries thereof, from time to time; the right to transfer ownership thereof; and the right to surrender the same and to receive all dividends and other values thereunder prior to or upon surrender.

C. With respect to the insurance policies made payable to the Trustee, it is the intention of the Grantor that this trust shall be operative only with respect to such portion of the proceeds thereof as may be due and payable to the Trustee at the time of the death of the Grantor,

or thereafter, after deduction of all charges against such policy or policies, by way of advances, loans, or otherwise. Neither the Trustee nor any beneficiary hereunder shall have any claim against the estate of the Grantor for any amounts of life insurance proceeds made payable to the Trustee which are applied against any indebtedness of the Grantor collaterally secured by an assignment of the Grantor's said life insurance.

D. The Trustee shall have no obligation whatsoever with respect to the payment of premiums, dues, assessments or other charges in connection with any life insurance policies. The Trustee shall be responsible for the proceeds of policies only when as and if collected, or paid to him, and he shall have no responsibility or liability whatsoever to anyone if for any reason any policy or policies shall be uncollectible in whole or in part.

E. The Trustee shall have, and is hereby given, full power and authority to make all necessary proofs of death under any life insurance policies and to execute and deliver any and all receipts for the proceeds thereof. Except at his own option, the Trustee shall not enter or maintain any litigation to enforce payment of any life insurance policy or policies until he shall have been indemnified to his satisfaction against all expenses and liabilities to which he may, in his judgment, be subjected, or in which he may become involved, by such action on his part. The Trustee, however, may utilize the proceeds of any life insurance policy to meet expenses incurred in connection with enforcing payment of the proceeds of any other policy.

F. The Trustee is authorized to compromise and adjust claims arising out of any insurance policy or policies upon such terms and conditions as he may deem advisable, and the decision of the Trustee in that regard shall be binding and conclusive upon all persons interested therein.

G. The Trustee is authorized and empowered, in his sole and absolute discretion, to exercise any and all rights granted to him as beneficiary of said life insurance policies.

ARTICLE XIII

In the administration of the trusts created hereunder, the Trustee shall have the following powers, in addition to all powers vested in him by law, which in each and every instance may be exercisable by him at such times (if at all), in such manner, and in accordance with such criteria, as he, in his discretion, shall deem appropriate:

A. To retain any investment and property which may be received by him for such length of time as to him may seem proper, without liability by reason of such retention.

B. To make such investments and reinvestments of principal and accumulated income as he may consider proper, so long as the requirements (other than diversification) of any applicable Prudent Investor Act (or equivalent) are satisfied. The Trustee may make his decision regarding diversification based upon such criteria as he, in his sole discretion, shall deem advisable, including, but not limited to, tax considerations, and the Trustee shall incur no liability

of any kind as a result of his decision whether or not to diversify. Any such investments may be held in bearer form, or in the name of the Trustee, or in the name of a nominee or nominees.

C. To retain cash or the proceeds from the sale of any assets until such time or times as he deems it appropriate to invest such funds.

D. With respect to any securities forming part of any trust created hereunder: To exercise all voting rights, either in person or by proxy; to enter or refuse to enter into any dissolution, liquidation, consolidation, recapitalization, reorganization, merger or other change in capital structure, and in connection therewith, to make exchanges of securities and to enter into agreements on such terms and conditions as he may deem advisable; and to enter into voting trusts and agreements with other stockholders, and other holders of securities, and the corporations which shall have issued such stock or securities, or any one or more of such persons, for such purposes and for such period of time (whether or not the same extends beyond the actual or probable duration of the trusts created hereunder), and upon such terms and conditions as he shall deem advisable.

E. To enter into any lease or leases, without application to any court, of any or all real or personal property held hereunder, for such period (whether or not the same extends beyond the actual or probable duration of the trusts created hereunder), and upon such terms and conditions as he shall deem advisable.

F. To borrow money or property, either upon the security of any or all of the assets of the trusts created hereunder, or without security or otherwise, upon such terms and conditions and for such purposes in connection with the administration of the trusts as to him shall seem proper.

G. To grant, bargain, sell, exchange, mortgage, grant options to buy, or otherwise dispose of any or all real or personal property, or both, at any time held hereunder, either at public or private sale, for cash or on credit, or partly for cash and partly on credit, upon such terms and conditions, in such manner and for such purposes, and either in whole or in part, as he may deem proper; and to make, execute, acknowledge and deliver good and sufficient instruments for that purpose. No purchaser, upon any sale or other disposition, shall be bound to see to the application of the monies or property arising therefrom or to inquire into the validity, expediency or propriety of any such sale or disposition.

H. To maintain and insure all real and personal property, and to develop, repair, remodel, alter, build on, improve, rebuild or reconstruct any or all real property, either by building, constructing or erecting new buildings or by repairing, remodeling, altering, rebuilding or reconstructing existing buildings, for such purposes, to any and every extent, and in such manner as he may deem proper, and to borrow monies in connection therewith upon the security of any such real property and/or of any or all other assets of the trusts.

I. To foreclose any mortgage or mortgages, and to take title to the property or any part thereof affected by such mortgage or, in his discretion, to accept a conveyance of any property in lieu of foreclosure, and to collect the rents and income therefrom, either through a receiver or directly, and to protect such property against foreclosure under any mortgage that shall be a prior

lien on said property, or to redeem from foreclosure under any such mortgages, as well as to protect such property against nonpayment of taxes, assessments or other liens.

J. To adjust, compromise or arbitrate claims or demands of, or against, the trusts created hereunder, whether such claims are due or shall become due in the future, including without limitation any overpayment or refund claim, or any deficiency, additional assessment or other liability, relating to any Federal, state, county, municipal or other tax, irrespective of the nature thereof.

K. To join with any other person, persons, nominee or nominees in the incorporation of any and all corporations, for such purposes, for such periods of time, and upon such terms and conditions respecting the organization, operation and maintenance thereof (including not by way of limitation, the adoption of by-laws, rules and regulations) as he shall deem advisable, and to pay for the stock of any such corporation with any or all of the assets of the trusts created hereunder, and to contribute to the capital of such corporation, or to lend to it, any or all of the assets of the trusts created hereunder.

L. To join with any other person, persons, nominee or nominees in any partnership, whether general or limited, or in any joint venture, limited liability company or other business association, for such purposes, for such period of time, and upon such terms and conditions, as he shall deem advisable, and to contribute to the capital of any such partnership, joint venture, limited liability company or other business association, or to lend to it, any or all of the assets of the trusts created hereunder.

M. To engage in and operate any business for such purposes, in such manner and for such periods of time as he shall deem advisable, and to apply any and all assets of the trusts created hereunder to the conduct of any such business.

N. To grant options and execute option agreements with respect to the sale or lease of property held by him hereunder, without obligation to repudiate the same in favor of better offers.

O. To assign one or more shares of the stock of any corporation which may at any time be held by him hereunder to himself, or to a nominee or nominees, for the purposes of qualifying such person to act as a director of the corporation, the stock of which is so assigned.

P. To engage such attorneys, investment counsel, clerks, employees, agents, accountants, brokers, officers, architects, contractors, subcontractors, surveyors, and such other persons, firms or corporations, as he shall deem necessary or helpful in connection with the administration of the trusts created hereunder, at such wages, fees, compensation, remuneration, commission rates, prices, consideration or otherwise, as he shall deem proper.

Q. To set up reasonable reserves for depreciation and/or depletion.

R. To execute and deliver all documents, contracts and instruments necessary or advisable in connection with the administration of the trusts created hereunder.

S. To make and retain joint investments and investments of undivided interests in any property, real or personal, whether or not all the property be held hereunder, and whether or not the provisions under which such other property is held are similar, and to administer, or to permit to be administered, all or any part of such property in one or more consolidated funds in which the same shall have joint or undivided interests without any physical division of the investments, but such consolidation of investments shall not operate to merge the legal or beneficial interests in such separate trusts, parts or shares; and to hold and administer any property in a common trust fund administered by any trust institution serving as a Trustee.

T. To purchase any improved or unimproved real property, at public or private sale, for cash or on credit, or partly for cash and partly on credit, and/or subject to any existing mortgage or mortgages, for such purposes and upon such terms and conditions as he shall deem advisable.

U. To mortgage or pledge any or all real or personal property at any time held hereunder, and to enter into construction mortgages or purchase money mortgages respecting any and all real property, for such purposes and upon such terms and conditions as he shall deem advisable.

V. To continue to hold and administer the interest in any business of which the Grantor may be the owner, whether such ownership be as an individual, partner, joint venturer, member or stockholder, or otherwise, or to engage in and operate any business, for such purposes, in such manner, and for such period of time, as he shall deem proper, and to apply to the conduct of any such business any or all of the assets of the trusts created hereunder.

W. To dissolve or to participate in the dissolution of any partnership, joint venture or limited liability company in which the Grantor shall have an interest or in which the Trustee, in the administration of the trusts created hereunder, shall hold an interest, or of which he shall become a member, whether such dissolution be by agreement, operation of law, or by the judgment of any court, and to enter into any agreements with respect thereto, upon such terms and conditions as he shall deem proper.

X. Without in any way limiting the generality of the foregoing powers, to sell any interest in any business which may come into his hands as part of any trust created hereunder, at such time or times, for such amount or amounts, for cash or on credit, or partly for cash and partly on credit, and upon such terms and conditions, as he shall deem proper.

Y. To lend money to, and to purchase as an investment for the trusts created hereunder from, the executors or administrators of the Grantor's estate, and/or the executors or administrators of the estate of the Grantor's spouse, and/or the Trustee of any trust created by the Grantor or the Grantor's said spouse, by deed or Will, any cash, stock, securities or other property, real, personal or mixed, constituting part of the Grantor's estate, or of the estate of the Grantor's said spouse, or constituting part of any such trust, at such prices, and upon such terms and conditions, as the Trustee, in his discretion, shall deem appropriate.

Z. To allocate receipts and disbursements of any trust created hereunder between income and principal thereof in such a manner as the Trustee shall deem advisable, so long as the

requirements of any applicable Principal and Income Act or equivalent are satisfied, except that during the lifetime of the Grantor's wife, JANE SMITH, no allocation or allocations shall be made with respect to any portion of any trust created hereunder which could prevent the same from qualifying for the Federal estate tax marital deduction.

ARTICLE XIV

In the administration of the trusts created hereunder, the Grantor directs that:

A. In any case in which the Trustee is required to divide any trust created hereunder, or any portion thereof, into parts or shares, and/or is required to distribute the same, or any portion thereof, or any part or share into which the same shall have been divided, either to a single distributee, or to two (2) or more distributees, he, in his discretion, may make such partition, division or distribution wholly in kind or in money, or partly in kind or in money, and may distribute different property interests to the several distributees, and the choice and relative value of the property or money so distributed, partitioned or divided shall, in the absence of fraud or bad faith, be binding and conclusive on everyone interested therein, and he shall in no event be accountable for any error of judgment or discretion in exercising the power and authority herein conferred.

B. The Trustee shall not be accountable for any loss which may occur to the trusts herein created as a result of the exercise of, or the refusal to exercise any of the powers or discretions vested in him, so long as such exercise or refusal to exercise is made in good faith.

C. No loss whatever resulting to the trusts created hereunder, through the ownership or operation of any business by the Trustee, or as a result of the building, construction or erection by him of any building, improvements or structures, whether the same be carried on by a corporation, partnership, proprietorship, joint venture, limited liability company or otherwise, shall be chargeable against the Trustee personally.

D. The Trustee may consult with counsel and shall be fully protected in any course of conduct taken in good faith in accordance with the advice of counsel.

E. The Trustee shall not be disqualified from acting hereunder or from exercising any power granted herein because he may hold an interest in property in which any trust created hereunder shall also hold an interest, or be a creditor of any such trust, or be an employee or agent of, or the holder of an interest in, any business, sole proprietorship, partnership, joint venture, limited liability company, corporation, or otherwise, in which any trust created hereunder may hold an interest, or by reason of the fact that he may also be serving as executor or administrator of the Grantor's estate or the Trustee of any trust established under the Grantor's Last Will and Testament.

F. If pursuant to any provisions of this Agreement a trust would be established to which any part of the Grantor's GST exemption (provided for in Section 2631(a) of the Code) would be allocated (hereinafter referred to as a "GST Trust"), and if after such allocation the

inclusion ratio of such trust for generation skipping transfer tax purposes would not be zero, then the Trustee may, but shall not be required to, establish two separate trusts, each to be administered in accordance with the provisions applicable to the GST Trust, with one trust having an inclusion ratio of one and the other trust having an inclusion ratio of zero. Assets that would have constituted the GST Trust shall be allocated between the two separate trusts as necessary to establish the prescribed inclusion ratios, and shall be valued for such purpose as of the date of allocation.

In addition, if pursuant to any provisions of this Agreement any portion of any trust created hereunder is required to be added to the principal of any other trust created hereunder (such latter trust being hereinafter referred to as the "recipient trust") and if the inclusion ratios (for generation skipping transfer tax purposes) of such trusts are not identical, then the Trustee, in lieu of making such addition, may, but shall not be required to, hold such portion in a separate trust, to be administered in accordance with the provisions applicable to the recipient trust.

In further addition, if pursuant to any provision of this Agreement a trust has been established that has an inclusion ratio of greater than zero and less than one, then the Trustee may, but shall not be required to, divide such trust into two separate trusts, provided that such division meets the definition of a "qualified severance" contained in Section 2642(a)(3) of the Code or Regulations promulgated pursuant thereto.

G. The Trustee may be employed and/or engaged in any capacity by, or render services to, any trust created hereunder, and/or may be employed and/or engaged by any corporation, proprietorship, joint venture, limited liability company, sole proprietorship or other entity in which any such trust may have an interest, `nd shall be entitled to receive and to retain (in addition to his remuneration for his services as Trustee herein) such compensation, perquisites and reimbursement of expenses in connection with such services, in such manner and upon such terms and conditions, as he, in his discretion, shall deem proper.

H. The Trustee may disclaim all or part of any power or discretion held by the Trustee in a fiduciary capacity, and may determine whether or not such disclaimer shall be binding upon, and shall constitute a disclaimer by, any or all successor or substitute Trustees hereunder, without having to obtain court authorization for such disclaimer or determination

I. The Trustee may delegate discretion relating to the investment and management of trust assets to an agent (including an entity affiliated with any trust institution serving as a Trustee) and may do so without liability for the decisions, actions, omissions, neglect, misconduct or default of such agent, provided that such agent was selected and retained with reasonable care, skill and caution. The Trustee may pay such agent reasonable compensation for his, her or its services. Notwithstanding any statute or rule of law to the contrary, such compensation (other than of a fiduciary serving hereunder) shall not reduce any statutory commissions or other fees payable to the Trustee.

ARTICLE XV

Except with respect to matters agreed to be undertaken by any life insurance company or companies which may issue any policy or policies which may become subject to this Agreement, the Grantor hereby relieves such companies from any responsibility to see to the execution and performance of the terms and conditions hereof.

ARTICLE XVI

A. In the event that any trust created hereunder shall contain real estate, interests in real estate or other assets located in a jurisdiction in which the Trustee shall not be authorized to act, then the Trustee shall have the right, by an instrument in writing, to appoint any individual or trust institution of his choice as successor Trustee(s) in such jurisdiction for the limited purpose of dealing with such real estate, interests in real estate or other assets located therein.

B. Except as provided in the following paragraphs of this subarticle B, if the initial Trustee shall cease to serve, the Grantor's wife, JANE SMITH, and the Grantor's daughter, KATHLEEN SMITH, shall serve as his successors. If KATHLEEN shall fail or cease to serve as a Trustee, the Grantor's daughter, NANCY SMITH, shall serve as her successor.

The Grantor's children, KATHLEEN SMITH, NANCY SMITH and ELLEN SMITH, or the survivor(s) of them, shall serve as Co-Trustees of the trust administered pursuant to Article V hereof.

The surviving spouse of a deceased child of the Grantor shall serve as Trustee of any trust administered pursuant to Article VI hereof for the benefit of a descendant of such spouse and deceased child, but only if such spouse had been married to such child at the time of his or her death. If such surviving spouse of a deceased child shall fail or cease to serve as Trustee, the Grantor's remaining children shall serve as his or her successor(s). At the time of execution of this Agreement, the spouse of KATHLEEN SMITH is JOSEPH PERRY and the spouse of NANCY SMITH is DAVID LONG.

C. If at any time the Grantor's wife, JANE SMITH, shall be serving as sole Trustee of any trust created hereunder, then she, by an instrument in writing filed with the trust records, shall appoint any individual(s) and/or trust institution of her choice as Co-Trustee(s) of such trust, to serve together with her.

D. The last serving Trustee of a trust created hereunder shall have the right, by an instrument in writing filed with the trust records, or by Last Will and Testament, to appoint any individual(s) and/or trust institution of his or her choice as successor Trustee(s) of such trust.

If at any time there shall be no Trustee of a trust created hereunder and no successor Trustee shall have been appointed as otherwise set forth in this Article XVI, then the eldest living income beneficiary of the trust, by an instrument in writing, shall appoint any trust institution of his or her choice as successor Trustee of such trust, or, in the event that such beneficiary shall be

incapacitated or a minor, the guardian(s) or personal representative(s) of such beneficiary shall make such appointment.

E. After the death of the Grantor, if his wife, JANE SMITH, shall survive him:

1. She shall have the right, at any time and from time to time, to remove one or more of the then serving individual Co-Trustees of any trust created hereunder and either (i) allow the successor Trustee, appointed in subarticle B hereof, to serve or (ii) appoint any individual(s) and/or, if no trust institution shall then be serving, any trust institution of her choice as successor Co-Trustee(s), to serve together with JANE.

2. She shall have the right, from time to time, but in no event more than once during any three (3) year period, to remove any then serving trust institution as Co-Trustee of any trust created hereunder and appoint any trust institution of her choice as successor.

3. Any successor Trustee(s) [other than NANCY SMITH] being appointed pursuant to this subarticle E (i) may not be related or subordinate [within the meaning of Section 672(c) of the Code] to the person making such appointment, and (ii) in the case of a trust institution, shall, at the time of the appointment, be administering trust assets valued at no less than two hundred fifty million ($250,000,000) dollars.

F. Each adult beneficiary, with respect to the trust administered pursuant to Article VI hereof for his or her own benefit, shall have the right, from time to time, but in no event more than once during any three (3) year period, to remove any then serving Trustee(s) of such trust (other than a child of the Grantor or a parent of the beneficiary) and, if no trust institution shall then be serving, appoint any trust institution of his or her choice as successor; provided, however, that such trust institution being appointed (i) may not be related or subordinate [within the meaning of Section 672(c) of the Code] to the person making such appointment, and (ii) shall, at the time of the appointment, be administering trust assets valued at no less than two hundred fifty million ($250,000,000) dollars.

G. The written instruments of appointment referred to in subarticles A, C and D hereof shall be executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey.

H. The rights granted in subarticles E and F hereof may be exercised by an instrument in writing, executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey, and delivered to the then acting Trustee(s), either in person or by prepaid, registered or certified mail, which instrument shall advise such Trustee(s) of the appointed successor(s), if any, and shall state the effective date of removal, to be not less than thirty (30) days and not more than sixty (60) days after delivery. On such effective date, or as soon thereafter as may be reasonably feasible, the Trustee(s) being removed shall then turn over to the remaining Trustee(s) and/or appointed successor(s), if any, all funds then held by such Trustee(s) in the trust or trusts involved, in cash or in kind or partly in cash and partly in kind, in the discretion of the Trustee(s) being removed, reserving therefrom such amount as such Trustee(s) shall deem reasonably necessary to cover the expenses of such removal, including any

applicable termination commissions. The Trustee(s) being removed shall have the right to demand and receive, prior to releasing any funds to the remaining Trustees and/or appointed successor(s), if any, written approval of such Trustee's or Trustees' statements or final accounting by the then living adult income beneficiary or beneficiaries, whichever shall be applicable, which shall have the same force and effect of an approved accounting pursuant to Article XIX hereof. In lieu thereof, such Trustee(s) may submit said statements or final accounting to a court for settlement, and in either event may postpone delivery of funds to the remaining Trustee(s) and/or appointed successor(s), if any, until such accounting, judicial or otherwise, shall have been approved.

I. The initial Trustee named herein hereby waives all rights to all compensation for his services as Trustee, including commissions provided for by law. The compensation to any successor Trustee for services rendered hereunder shall be as set forth in a separate agreement between such Trustee and the Grantor or person appointing such Trustee, as the same shall be amended from time to time, or, in the absence of such agreement, (i) as provided under applicable law in the case of any individual Trustee and (ii) in the case of any trust institution, in accordance with its regularly published schedule of fees in effect at the time such services are performed.

J. Any Trustee of any trust created hereunder shall have the right to resign at any time by an instrument in writing, executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey, and delivered, either in person or by prepaid, registered or certified mail, to the Grantor if he shall then be living, or, if he shall then be deceased, to the Co-Trustee(s), or, if none, to the eldest beneficiary then entitled to receive income distributions from the trust [or in the event that such beneficiary is incapacitated or is a minor, to such beneficiary and the guardian(s) or personal representative(s) of such beneficiary]. Such resignation shall be effective upon delivery of the aforesaid written instrument of resignation to the then serving Co-Trustee(s), or, if none, upon the qualification of the resigning Trustee's successor(s), but in no event earlier than thirty (30) days after delivery of the aforesaid written instrument of resignation to the beneficiary or his or her guardian(s) or personal representative(s), whichever shall be applicable.

K. On the effective date of the resignation of a Trustee pursuant to subarticle J hereof, or as soon thereafter as may be reasonably feasible, the resigning Trustee shall then turn over to the remaining Trustee(s) and/or appointed successor(s), all funds then held by the resigning Trustee in the trust or trusts involved, in cash or in kind or partly in cash and partly in kind, in the discretion of the resigning Trustee, reserving therefrom such amount as such Trustee shall deem reasonably necessary to cover the expenses of such resignation, including any applicable termination commissions. The resigning Trustee shall have the right to demand and receive, prior to releasing any funds to the remaining Trustee(s) and/or appointed successor(s), written approval of the statements or final accounting of the resigning Trustee by the eldest then living adult income beneficiary, which shall have the same force and effect of an approved accounting pursuant to Article XIX hereof. In lieu thereof, the resigning Trustee may submit said final accounting to a court for settlement, and in either event may postpone delivery of funds to the remaining Trustee(s) and/or appointed successor(s) until such statements or accounting, judicial or otherwise, shall have been approved. The resigning Trustee's successor(s) shall be as set forth in, or appointed pursuant to, subarticles B, C or D hereof, whichever shall be applicable.

L. For purposes of subarticle K hereof, any individual Trustee shall be deemed to have resigned when it is determined that he or she is under a medical infirmity or physical incapacity (an "Incapacity"), which shall be deemed to exist when the same has been declared by a court of competent jurisdiction or when a conservator or guardian for such Trustee has been appointed based upon such Incapacity. Furthermore, such Incapacity shall be deemed to exist upon presentation to the then serving Co-Trustee(s), or, if none, to the next succeeding successor Trustee(s), of a certificate executed by a licensed physician which states that (i) he or she is the attending physician for the Trustee; (ii) that the Trustee is incapable of caring for himself or herself; and (iii) that the Trustee is physically or mentally incapable of managing his or her financial affairs and attending properly to the normal duties and responsibilities required for the prudent management and protection of property. The effective date of such Incapacity shall be the date of the order or decree adjudicating the Incapacity, the date of the order or decree appointing the guardian or conservator, or the date of the certificate of such attending physician described above, whichever shall first occur.

For purposes of determining a serving Trustee's Incapacity, such Trustee (hereinafter the "Consenting" Trustee) hereby consents to the disclosure to the then serving Co-Trustee(s), or, if none, to the next succeeding successor Trustee(s) [hereinafter the "Requesting" Trustee] of all of the Protected Health Information ("PHI") and medical records of the Consenting Trustee and the Requesting Trustee shall be treated as the Consenting Trustee would be with regard to the use and dissemination of his or her PHI and medical records, including, but not limited to, any written opinion relating to the Consenting Trustee's Incapacity. This authority applies to any information governed by the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), 42 USC 1320d and 45 CFR 160-164. The Consenting Trustee hereby intends that the Requesting Trustee be treated as the personal representative of the Consenting Trustee for all purposes, as provided in 45 CFR 164.502(g)(2), relating to any inquiry relating to his or her PHI, and the Consenting Trustee therefore specifically authorize the Requesting Trustee to request, obtain, receive and inspect any and all information bearing upon the Consenting Trustee's health, including PHI relevant to the determination of the Consenting Trustee's ability to perform his or her duties as a Trustee hereunder, to sign whatever authorizations for release of information required by providers or others, and to waive any rights the Consenting Trustee may have for breach of confidentiality for the release of such information to the Requesting Trustee. The authority given to the Requesting Trustee shall supersede any prior agreement that the Consenting Trustee may have made with his or her health care providers to restrict access to, or disclosure of, his or her PHI.

In addition, the Consenting Trustee specifically authorizes any physician, dentist, health care provider, any insurance company and the Medical Information Bureau Inc., or any other health care organization that has provided treatment or services to the Consenting Trustee to give, disclose and release to the Requesting Trustee all of the Consenting Trustee's PHI and medical records regarding any past, present or future medical or mental health condition, including, but not limited to, all information relating to the diagnosis and treatment of HIV/AIDS, sexually transmitted diseases, mental illness and drug or alcohol abuse.

The foregoing authority given to the Requesting Trustee shall apply to a successor Trustee even though he or she has not yet assumed his or her duties and shall have no expiration date. Said authority shall expire only in the event that the Consenting Trustee shall permanently cease to serve as a Trustee hereunder.

The initial Trustee hereby specifically accepts the provisions of this subarticle L. Each successor Trustee, in accepting his or her duties hereunder, shall execute an instrument in writing specifically accepting the provisions of this subarticle L.

ARTICLE XVII

With respect to any trust created hereunder which shall have a single current income beneficiary, if at any time after the death of the last to die of the Grantor's wife, JANE SMITH, and his children, KATHLEEN SMITH, NANCY SMITH and ELLEN SMITH, and after taking into account the age, maturity and competence of such beneficiary, the Trustee (other than such beneficiary) shall determine it to be in the best interest of such beneficiary to terminate such trust and distribute to him or her, outright and free of trust, the entire remaining principal thereof, such Trustee may do so, whereupon such trust shall terminate and the rights of any other beneficiaries or remainderman in such trust shall cease. In making such decision, (i) such Trustee shall take into account the relationship of commissions and expenses to the value of the principal of such trust, and if he shall decide that the value of the trust does not warrant the incurring of such commissions and expenses said decision shall be considered a proper reason for termination pursuant to this Article; and (ii) such Trustee shall take into account the then existing and anticipated future status of the Federal estate and generation-skipping transfer taxes, and any applicable State estate, generation-skipping transfer and inheritance taxes, and if he shall conclude that the existence of any such tax probably was, but probably is no longer, a principal reason for the existence of the trust, said conclusion also shall be considered a proper reason for termination pursuant to this Article.

ARTICLE XVIII

Any trust created hereunder which shall be substantially identical to any other trust created hereunder, or to any trust created under the Last Will and Testament of the Grantor or Grantor's wife, JANE SMITH, or to any trust created by either of them prior to death, may, in the discretion of the Trustee, be merged into such other trust, or he may accept a merger of such other trust into the substantially identical trust created hereunder, if the Trustee shall determine the same advisable to facilitate the administration thereof, to reduce the expense of operation thereof, or any other reason he shall deem to be in the best interests of the beneficiaries thereof.

ARTICLE XIX

The Trustee, upon request, but not more often than annually, shall render statements with respect to any trust created hereunder, setting forth the receipts and disbursements of principal and

income and the assets on hand at the commencement and expiration of the period covered by such statements. The written approval of such statements by the then living adult income beneficiary or beneficiaries, whichever shall be applicable, shall be final and binding upon all who are then or may thereafter become entitled to any part of the assets, as to all matters and transactions shown on the statements. Anything herein contained shall not preclude the Trustee, from time to time, from rendering an accounting or from submitting an accounting to a court for settlement, as he shall deem advisable.

ARTICLE XX

A. Wherever in this Agreement the word "Trustee" is used, it shall be construed to include the Trustee and his successor or successors in office, and all references to such Trustee shall be construed in the singular or plural, and in such gender, as the sense and circumstances require.

B. Wherever in this Agreement the words "descendant" and "descendants" are used, they shall be construed to be synonymous with the word "issue".

C. Wherever in this Agreement the words "per stirpes" are used with reference to the descendants of any individual, they shall be construed to mean that the determination of such descendants begins with the children of such individual and that no distribution at any generational level shall be per capita.

D. Wherever in this Agreement the words "sibling" and "siblings" are used, they shall be construed to mean "brother(s) and sister(s)" (of the whole blood or of the half blood, but only if the Grantor or a descendant of the Grantor shall be the natural or adoptive parent of the latter), but not "step-brother(s) and step-sister(s)", unless the same shall have been adopted by the Grantor or a descendant of the Grantor.

E. Wherever in this Agreement the word "Code" is used, it shall be construed to mean the Internal Revenue Code of 1986, as amended. Any reference to a section of the Code shall be deemed to refer to such section or to any section of similar import.

F. Wherever in this Agreement the words “trust institution” are used, they shall be construed to mean a corporation or other organization authorized to act as Trustee of both lifetime and testamentary trusts.

G. All references made, and all nouns and pronouns used herein, shall be construed in the singular or plural, and in such gender, as the sense and circumstances require.

ARTICLE XXI

The Trustee hereby expressly undertakes and accepts the trusts created hereby and agrees to carry out the provisions of this Agreement. Any successor Trustee shall qualify by executing

an instrument in writing, duly acknowledged, by which he expressly agrees to assume the trusts and to carry out the provisions hereof.

ARTICLE XXII

No bond or other security shall be required of the Trustee, or any successor Trustee, in any jurisdiction in which they may be called upon to act.

ARTICLE XXIII

A. The Grantor hereby reserves the right and power, at any time and from time to time during his lifetime, by an instrument in writing (other than his Last Will and Testament or Codicil thereto) executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey, and served upon the Trustee, to revoke this trust agreement in whole or in part, or to alter, amend or modify any and all terms or provisions hereof, in any way and to any extent that may seem desirable to him, including the removal or replacement of any Trustee(s), except that without the consent of the Trustee the Grantor shall have no power to increase the duties or obligations of the Trustee. The Grantor shall serve such instrument upon the Trustee, either by delivering the same to him in person, or by sending the same by prepaid, registered or certified mail, addressed to the Trustee at his address hereinabove set forth, or to such other address as the Grantor and the Trustee may mutually agree upon in writing.

B. If the Grantor, at any time after he shall cease to be a Trustee, shall attempt to revoke or substantially alter, amend or modify any terms or provisions of this trust agreement pursuant to subarticle A hereof, and if the Trustee at such time shall have reason to doubt whether the Grantor at such time shall have the requisite mental capacity to properly take such action, then the Trustee shall not act thereon until the question of the Grantor's mental capacity shall have been judicially determined, which judicial proceeding the Trustee may, but shall not be required to, initiate. The Trustee shall be required to withhold action pursuant hereto only if he shall actually have knowledge of facts sufficient to give rise to such doubt; shall be under no duty to investigate the Grantor's mental capacity absent such actual knowledge; and shall be entitled to assume that the Grantor has the requisite mental capacity at all times absent such actual knowledge.

C. Upon the death of the Grantor, this Agreement, and the trusts created hereunder, shall become irrevocable, and may not be terminated, revoked, altered, amended or changed, in any respect whatsoever.

ARTICLE XXIV

This Agreement shall be governed by the substantive law of the State of New Jersey; provided, however, that the Trustee may, at any time and from time to time, in his discretion, (i)

remove (or decline to remove) all or part of the assets of any trust created hereunder, and/or the situs of administration of such trust, from one jurisdiction to another and/or (ii) elect (or decline to elect) that the substantive laws of such other jurisdiction shall thereafter govern. Any decision of the Trustee with respect to the foregoing shall be binding and conclusive on everyone interested therein.

ARTICLE XXV

To the extent permitted by law, if any beneficiary or remainderman under this Agreement shall, directly or indirectly, by legal proceedings or otherwise, challenge or contest this Agreement or any of its provisions, or shall attempt in any way to oppose or set aside this Agreement or impair or invalidate any of the provisions the Grantor has made in it, any distribution to, or other provision for, that beneficiary or remainderman under this Agreement shall be revoked and the property covered thereby shall be disposed of in the same manner as if the contesting beneficiary or remainderman, his or her spouse and all of his or her descendants had predeceased the Grantor.

ARTICLE XXVI

The Trustee, at any time and from time to time, shall receive and accept from the Grantor, and/or the executors or administrators of the Grantor's estate, and or the Trustee of any trust created by the Grantor by deed or Will, and may receive and accept from any other person or persons, including any fiduciary of any other estate or trust, any addition to the trust fund, in the form of cash, stock, securities or other property, real personal or mixed.

ARTICLE XXVII

A. All transfer taxes payable with respect to property passing under this Agreement shall be paid out of the assets to be administered pursuant to Article II hereof, without apportionment and before such assets are so administered, except that (i) any transfer tax determined with reference to the Grantors's relationship to the recipient of the property giving rise to such tax shall be charged to such property or recipient and (ii) to the extent possible, no such tax shall be paid out of that portion of any trust created hereunder which shall qualify for the Federal estate tax marital deduction or which shall consist of benefits payable under any retirement fund as defined in subarticle E of Article III hereof.

B. Subject to subarticle A hereof, if the Grantor's wife, JANE SMITH, shall survive him:

1. Pursuant to the provisions of subarticle C of Article III hereof, the executors or administrators of the Grantor's estate have been given the discretion to make or not to make the election provided for in Section 2056(b)(7) of the Code with respect to all or part of the trust administered pursuant to said Article III. If the portion of such trust with respect to which such

election was not made shall be subject to any transfer taxes, any such taxes attributable to such portion shall be paid therefrom.

2. Pursuant to the provisions of subarticle C of Article II hereof, a certain trust may be funded for JANE's benefit. If any portion of such trust shall be subject to any transfer taxes, any such taxes attributable to such portion shall be paid therefrom.

C. The transfer taxes attributable to the property referred to in subarticle A hereof shall be the amount by which the total of such taxes payable exceeds the total of such taxes which would have been payable had such property not been subject to transfer taxes, the same to be allocated among the various interests in such property pro rata, except that any transfer tax determined with reference to the Grantor's relationship to the recipient of the property giving rise to such tax shall be charged to such property or recipient and not allocated pro rata as aforesaid.

D. The transfer taxes attributable to the property referred to in the first and second paragraphs of subarticle B hereof shall be a pro rata portion of the total transfer taxes payable by the Grantor's estate with respect to all property subject to such taxes passing under this Agreement, except that any transfer tax determined with reference to my relationship to the recipient of the property giving rise to such tax shall be charged to such property or recipient and not allocated pro rata as aforesaid.

E. When used in this Agreement, the term "transfer taxes" shall be deemed to include all taxes payable by reason of property passing upon the Grantor's death, whether labeled estate taxes, inheritance taxes, death taxes, succession taxes, transfer taxes, or otherwise, and whether imposed by the Federal Government, any State, City or Municipality, or otherwise, including interest and penalties thereon. Such term shall not be deemed to include taxes imposed on generation-skipping transfers pursuant to Code Section 2601 et seq. or any other statute of similar import, whether imposed by the Federal government, any state, city or municipality, or otherwise, which taxes, including interest and penalties thereon, shall be paid as provided in Section 2603 of the Code, or in any other statute of similar import.

F. The Trustee shall not be liable to any person as a result of the exercise by him of any discretion granted pursuant to this Article XXVII, and any discretionary decisions made by him shall be conclusive and binding upon all persons interested therein.

IN WITNESS WHEREOF, each of the Grantor and the Trustee has hereunto set his hand and seal, on the day and year first above written.

Signed, Sealed and Delivered in the
Presence of:

_____ _____(L.S.)
JOHN SMITH, Grantor

_____ _____(L.S.)
JOHN SMITH, Trustee

SCHEDULE A

$1.00

STATE OF NEW JERSEY)

ss:

COUNTY OF BERGEN)

BE IT REMEMBERED, that on this day of , 2013, before me, the subscriber, , personally appeared JOHN SMITH, who, I am satisfied, is the Grantor and the Trustee mentioned in the within instrument, and thereupon he acknowledged that he signed, sealed and delivered the same as his voluntary act and deed, for the uses and purposes therein expressed.

_____

IRREVOCABLE LIFE INSURANCE TRUST
FOR SINGLE LIFE POLICIES

TOM JONES INSURANCE TRUST

THIS AGREEMENT, made this day of , 2013, by and between TOM JONES, residing at 2 Singer Lane, Englewood Cliffs, New Jersey 07632 (hereinafter referred to as the "Grantor") and STEVE SMITH, 123 Pitt Road, Teaneck, New Jersey 07666 (hereinafter referred to as the "Trustee"):

W I T N E S S E T H :

WHEREAS the Grantor has heretofore taken out certain policies of insurance on his life which are described in the annexed Schedule A, which policies have been, or shall be, delivered to and shall be retained by the Trustee; and

WHEREAS the Grantor has designated or will designate the Trustee as beneficiary of, and has assigned or will assign to the Trustee ownership of, all of the proceeds and incidents of ownership of the policies of insurance set forth in the annexed Schedule A, and may hereafter designate the Trustee as beneficiary of, and/or assign to the Trustee, additional policies of insurance, or portions thereof, on his life; and

WHEREAS the Grantor, desirous of providing for the management and distribution of any property transferred and/or delivered to the Trustee during the Grantor's lifetime and after his death, has decided to create the within trust, to be known as the "TOM JONES INSURANCE TRUST";

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

ARTICLE I

A. Until the death of the Grantor, the Trustee shall hold in trust any property transferred and/or delivered to him by the Grantor and/or any other person, during the Grantor's lifetime, for the following uses and purposes:

1. The Trustee, at any time or times that he shall deem it advisable, may apply for the benefit of the Grantor's wife, MARY JONES, and/or the Grantor's children, or pay over to them, so much, all or none of the "available net income" (as hereinafter defined) of the trust, and/or such sum or sums out of the principal of the trust (including the whole thereof), as the Trustee, in his discretion, shall deem advisable, except that (i) no such application or payment shall be made prior to thirty (30) days after notice of the intended application or payment shall have been given to each "beneficiary" (as hereinafter defined) entitled to withdraw principal pursuant to paragraphs 2 and/or 5 hereof, during which thirty (30) day period each such beneficiary may exercise his or her

* Provided by Shoobe & Bakarich, P.C., Paramus, New Jersey

right of withdrawal notwithstanding the fact that such exercise may make the intended application or payment impossible, and (ii) no such application or payment shall be made which shall have the purpose or effect of discharging a legal obligation (whether for support or any other purpose) of the Grantor, or which shall be for his pecuniary benefit.

2. In addition to the foregoing, each of (i) MARY, (ii) the Grantor's current children, LARRY JONES and TODD JONES, and (iii) any future child of the Grantor (referred to in this Article I as the "beneficiaries" and each individually as a "beneficiary") shall have the right, from time to time, upon written request to the Trustee, to receive payment out of the principal of the trust of such amount or amounts as he or she shall desire, for any purpose at all, not to exceed in the aggregate, however, in any one calendar year, the "annual withdrawal amount" (as hereinafter defined) with respect to such beneficiary, plus any amounts added thereto pursuant to paragraph 5 hereof.

3. The Trustee shall notify the Grantor, within fifteen (15) days after receipt, of all transfers to the trust made by any person other than the Grantor, whether such transfer shall be in the form of all or part of a policy of insurance or cash, securities or other property. The Grantor shall notify each beneficiary of all transfers to the trust and of all payments of premiums on policies of insurance on his life owned in full or in part by the trust, whether such payments shall be made by the Grantor or by any other person, firm or entity, which payments, for the purposes of this paragraph and paragraph 2 of subarticle B hereof, shall be deemed to be transfers to the trust. The Grantor shall provide such notice within fifteen (15) days after the later of the date of such transfer or the date when the Grantor receives notice thereof. The failure of the Trustee or the Grantor to provide such notice shall not affect the right of any beneficiary to withdraw principal of the trust pursuant to paragraphs 2 and/or 5 hereof.

4. All notifications required by paragraphs 1 and/or 3 hereof, and/or by subarticle D hereof, shall be made in writing and either delivered to the recipient thereof or mailed to such recipient at his or her residence address as known to the notifying party, from time to time.

5. Except as hereinafter provided, the provision of paragraph 2 hereof shall be cumulative, so that amounts not withdrawn pursuant thereto in any one year shall be added to the annual withdrawal amount in each succeeding year. Notwithstanding the preceding sentence, the cumulative amount subject to withdrawal pursuant to paragraph 2 hereof, to the extent not withdrawn in any one year, shall be reduced at the end of such year by the "lapse amount," as hereinafter defined. In the event of the death of the Grantor prior to the lapse of all of any beneficiary's accumulated rights of withdrawal, such beneficiary may exercise such rights, according to the provisions hereof, until they shall fully lapse, over the principal of any separate trust created for his or her benefit after the Grantor's death, or, if no separate trust shall be so created, then over the principal of any other trust created hereunder, whether or not he or she shall be a current income or principal beneficiary thereof, except that the right granted in this sentence shall not apply with respect to the principal of any trust which qualifies for the Federal estate tax marital deduction.

B. For the purposes of this Article I:

1. The phrase "available net income" of the trust shall mean such portion, if any, of the net income, if any, of the trust as the Trustee, in his discretion, shall not have expended for the payment of premiums on life insurance policies in accordance with the authority hereinafter granted to him, it being the Grantor's intention that nothing contained in this Article I shall in any manner be deemed to limit the Trustee's discretion to use all or a portion of the net income of the trust for the payment of any such premiums.

2. The phrase "annual withdrawal amount" for any calendar year for any beneficiary shall mean the lesser of: (a) the aggregate value of such beneficiary's share of each transfer made to the trust during such year, which share shall be determined by dividing the amount of such transfer by the number of beneficiaries living on the date thereof or (b) the amount of the gift tax annual exclusion contained in Section 2503(b) of the Code (taking into account the application of Section 2513 thereof, whether or not the consent provided for therein has been signified), or any statute of like import, applicable to such year with respect to a gift made to such beneficiary by the transferor of such transfer.

3. The phrase "lapse amount" for any calendar year for any beneficiary shall mean the amount with respect to which a lapse of a power of appointment shall not be deemed to be a release thereof, pursuant to Section 2514(e) of the Code, or any statute of like import, applicable to such year.

C. With respect to the discretion granted to the Trustee in this Article I to pay or apply income and/or principal of the trust to or for the benefit of the beneficiaries thereof, the Grantor is aware of the fact that prior to his death all or a substantial portion of such principal may consist of policies of insurance, or portions thereof, on his life. The Grantor therefore directs that nothing contained in this Article I shall in any manner be deemed to require that the Trustee at any time surrender any such policy for the cash value, or in the case of split-ownership policies (as hereinafter defined in Article IX) decline to pay any portion of the premium thereon properly allocable to the Trustee, or in any other manner convert any portion of the principal of the trust into cash, it being the Grantor's intention that the authority hereinafter granted to the Trustee with respect thereto shall not be limited in any manner. If the Trustee, in accordance with the aforementioned discretion, or in compliance with any exercise of the rights granted in paragraphs 2 and/or 5 of subarticle A of this Article I, shall decide or be required to pay or apply any portion of the principal of the trust, he may, and in the absence of other available assets he shall, do so by a direct distribution of any such policy or policies of life insurance, or portion thereof.

D. In addition to the foregoing, if the Trustee, at any time prior to the death of the Grantor, shall deem it advisable to distribute to the beneficiaries of the trust, outright or in trust for their benefit, one or more of the policies of life insurance, or portions thereof, and/or any or all of the other assets held in the trust, the Trustee may do so, whereupon the trust shall terminate if no assets shall then remain therein, except that (i) no such distribution shall be made prior to thirty (30) days after notice of the intended distribution shall have been given to each beneficiary entitled to withdraw principal pursuant to paragraphs 2 and/or 5 of subarticle A hereof, during which thirty (30) day period each such beneficiary may exercise his or her right of withdrawal notwithstanding the fact that such exercise may make the intended distribution impossible, and (ii) no such distribution shall be made which shall have the purpose or effect of discharging a legal obligation

(whether for support or any other purpose) of the Grantor, or which shall be for his pecuniary benefit.

Any distribution pursuant to this subarticle D, whether outright or in trust, may be in such proportions as the Trustee may determine, so long as all distributees, or all persons having a present or future interest in a distributee trust (whether created by the Trustee or any other person), are one or more of the beneficiaries named herein, and/or the descendants of any such beneficiary.

The Grantor understands and intends that the discretion granted to the Trustee, in this subarticle D will permit him to alter the rights of the beneficiaries to the same extent as if he had been given a power to appoint trust assets to or for the benefit of the individuals specified above. In the exercise of his discretion, the Trustee shall not be deemed to be acting in a fiduciary capacity, and such exercise shall be non-reviewable and shall be binding and conclusive upon all persons interested therein.

E. Upon the death of the Grantor, the then remaining principal and undistributed income of the trust shall be administered as hereinafter provided in Article II.

ARTICLE II

Upon the death of the Grantor, the Trustee shall receive and collect any proceeds of life insurance policies on the life of the Grantor which shall be payable to him and any other property, interests in property and money which may be payable to him as a result of the death of the Grantor or any other person, whether under the Last Will and Testament of the Grantor or any other person, or otherwise, and he shall add the same to any other assets then in his possession and he shall administer all such assets as follows:

A. If the Grantor's wife, MARY JONES, shall survive him, then until her death the Trustee shall pay to her, or apply for her benefit, the entire net income of the trust, at convenient intervals, but not less often than quarter-annually. In addition, MARY shall have the right, exercisable at any time and from time to time, upon written request to the Trustee, to receive payment out of the principal of the trust of such amount or amounts as she shall deem reasonably necessary to provide for her health, maintenance and support. If, in the judgment of the Trustee, MARY is incapable of exercising such right, then the Trustee may exercise such right on MARY's behalf while such incapacity shall exist. In the exercise of such right by the Trustee, he shall consider that it is the Grantor's primary intention that MARY, for as long as she shall live, shall continue to enjoy the same standard of living that she enjoyed at the time of the Grantor's death, and that preservation of principal for the remaindermen of the trust shall be subordinate thereto.

In addition to the aforementioned payments of net income and principal, MARY shall have the absolute right, exercisable only during the last ten (10) days of each calendar year, upon written request to the Trustee, to receive payment out of the principal of the trust of such amount or amounts as she shall desire, for any purpose at all, not to exceed in the aggregate, however, in any one calendar year, an amount equal to five (5%) percent of the value of the trust

as of the last day of such calendar year. Amounts not so withdrawn in any one year shall not be added to or increase amounts subject to withdrawal in any succeeding year.

In further addition to the aforementioned payments of net income and principal, MARY shall have the right, from time to time, to appoint all or any part of the then remaining principal of the trust to and among such of the Grantor's descendants as she shall desire, and the Trustee shall transfer and set over principal of the trust in accordance with any exercise of such power. This power of appointment may be exercised by MARY by an instrument in writing, executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey and delivered to the Trustee, and may be exercised in favor of the permissible appointees in such proportions and amounts, and upon such estates, whether in trust or otherwise, as MARY shall desire, but may not be exercised for the purpose of discharging a legal obligation (whether for support or any other purpose) of MARY or for her pecuniary benefit.

Upon the death of MARY, she shall have the right to appoint the then remaining principal and undistributed income of the trust to and among such of the Grantor's descendants as she shall desire, and the Trustee shall transfer and set over such principal and income in accordance with any exercise of such power. This power of appointment may be exercised by MARY by (and only by) specific provision in her Last Will and Testament making reference hereto, and may be exercised in favor of the permissible appointees in such proportions and amounts, and upon such estates, whether in trust or otherwise, as she shall desire, but may not be exercised for the purpose of discharging a legal obligation (whether for support or any other purpose) of MARY or for her pecuniary benefit. Any portion of the principal and undistributed income of the trust remaining at the date of death of MARY, which she shall not have validly appointed by her Last Will and Testament as above provided, shall be distributed as provided in subarticle B hereof.

B. Upon the death of the Grantor if his wife, MARY JONES, shall predecease him, or upon her death if she shall survive him and shall have failed to exercise fully the power of appointment hereinabove granted to her, the Trustee shall divide the unappointed principal and undistributed income of the trust, or the whole thereof, whichever shall be applicable, together with any principal and/or income of any other trust created hereunder that shall be added thereto, into a sufficient number of equal shares so that there shall be set aside one such share for the benefit of each child of the Grantor who shall then be living, and one such share for the benefit of the then living descendants collectively of each child of the Grantor who shall then be deceased, to be allocated among them per stirpes.

Each share allocated to a child of the Grantor, and each portion of a share allocated to a descendant of a deceased child of the Grantor, shall be held by the Trustee as a separate trust for the benefit of the person for whom it shall have been allocated, for the following uses and purposes:

1. Until the attainment of the age of twenty-one (21) years by the beneficiary of the trust, the Trustee, at any time or times that he shall deem it advisable, may apply for the

benefit of the beneficiary, or pay over to him or her, so much, all or none of the net income of the trust as the Trustee, in his discretion, shall deem advisable.

2. From and after the attainment of the age of twenty-one (21) years by the beneficiary of the trust, and until the termination thereof, the Trustee shall apply for the benefit of the beneficiary, or pay over to him or her, all of the net income of the trust, at convenient intervals, but not less often than quarter-annually.

3. Prior to the distribution of all of the principal of the trust, the Trustee, at any time or times that he shall deem it advisable, may apply for the benefit of the beneficiary thereof, or pay over to him or her, such sum or sums out of the principal of the trust (including the whole thereof) as the Trustee, in his discretion, shall deem advisable.

4. Upon the attainment of the age of twenty-five (25) years by the beneficiary of the trust, the Trustee shall pay over and distribute to him or her one-quarter (1/4) of the then remaining principal of the trust; upon the attainment of the age of thirty (30) years by the beneficiary, the Trustee shall pay over and distribute to him or her one-third (1/3) of the then remaining principal thereof; and upon the attainment of the age of thirty-five (35) years by the beneficiary, the Trustee shall pay over and distribute to him or her all of the then remaining principal thereof, together with all undistributed income, whereupon the trust shall terminate. If upon the establishment of the trust the beneficiary thereof shall then have either (i) attained age twenty-five (25) but not age thirty (30), or (ii) attained age thirty (30) but not age thirty-five (35), the Trustee shall then pay over and distribute to him or her either (i) one-quarter (1/4) or (ii) one-half (½) of the initial principal thereof, respectively, and only the balance shall be held in trust pursuant hereto; and if upon the establishment of the trust the beneficiary shall then have attained age thirty-five (35), the entire principal thereof shall then be paid over and distributed to him or her, and no portion thereof shall be held in trust hereunder.

5. If the beneficiary of the trust shall die before attaining the age of thirty-five (35) years, the principal of the trust remaining at his or her death (together with all undistributed income) shall be paid over and distributed to his or her then living descendants, per stirpes, and in default of such descendants, the same shall be paid over and distributed to those of the beneficiary's siblings who shall then be living and to the then living descendants of any sibling of the beneficiary who shall then be deceased, per stirpes; and in default of such siblings and descendants of a deceased sibling, to the then living descendants of that child of the Grantor who shall be the ancestor of the beneficiary, per stirpes, and in default of such ancestor's descendants, to those of the Grantor's children who shall then be living and to the then living descendants of any child of his who shall then be deceased, per stirpes; provided, however, that: (i) any sums thus payable to any person for whose benefit a trust created hereunder shall then still be in existence shall be added to the principal of such trust, and shall be held and distributed as part thereof, and (ii) any sums thus payable to any person who shall then be under the age of thirty-five (35) years and for whose benefit there shall not then be in existence a trust created hereunder, shall be held in trust for the benefit of such person in accordance with the provisions of paragraphs 1 through 5 of this subarticle B.

C. Upon the death of the last to die of the Grantor and his wife, MARY JONES, or upon the death of the beneficiary of a trust created under subarticle B hereof, whichever shall be applicable, if none of the Grantor's children, and no descendant of any deceased child of the Grantor, shall then be living, then the Trustee shall pay over and distribute the then remaining principal and undistributed income of the trust, or the whole thereof, whichever shall be applicable, together with any income and/or principal of any other trust created hereunder that shall be added thereto, as follows:

1. One-half (½) thereof to those of the Grantor's siblings, JEFF JONES and DAVE JONES, who shall then be living and to the then living descendants of either such sibling of the Grantor who shall then be deceased, per stirpes.

2. One-half (½) thereof to those of MARY's siblings, STEVE SMITH and SHELLEY SMITH, who shall then be living and to the then living descendants of either such sibling of MARY who shall then be deceased, per stirpes.

3. If all of the individuals named in paragraph 1 or 2 hereof, and all of their descendants, shall not then be living, then the distribution in such paragraph shall lapse, and the same shall be added to the distribution in said paragraph 1 or 2 which shall not have lapsed.

ARTICLE III

Anything hereinabove to the contrary notwithstanding, if any portion of the proceeds of any policies of insurance on the Grantor's life received by the Trustee, or any other asset of the trust, shall be includable in the Grantor's gross estate for Federal estate tax purposes, and if his wife, MARY JONES, shall survive him, then, effective as of the date of the Grantor's death, the Trustee shall allocate to the trust created pursuant to the provisions of this Article III, in cash, the portion so includable, and shall hold the same in trust for the following uses and purposes:

A. Until the death of the Grantor's wife, MARY JONES:

1. The Trustee shall pay to MARY, or apply for her benefit, the entire net income of the trust, at convenient intervals, but not less often than quarter-annually. In addition, MARY shall have the right, exercisable at any time and from time to time, upon written request to the Trustee, to receive payment out of the principal of the trust of such amount or amounts as she shall deem reasonably necessary to provide for her health, maintenance and support. If, in the judgment of the Trustee, MARY is incapable of exercising such right, then the Trustee may exercise such right on MARY's behalf while such incapacity shall exist. In the exercise of such right by the Trustee, he shall consider that it is the Grantor's primary intention that MARY, for as long as she shall live, shall continue to enjoy the same standard of living that she enjoyed at the time of the Grantor's death, and that preservation of principal for the remaindermen of the trust shall be subordinate thereto.

In addition to the aforementioned payments of net income and principal, MARY shall have the absolute right, exercisable only during the last ten (10) days of each calendar

year, upon written request to the Trustee, to receive payment out of the principal of the trust of such amount or amounts as she shall desire, for any purpose at all, not to exceed in the aggregate, however, in any one calendar year, an amount equal to five (5%) percent of the value of the trust as of the last day of such calendar year. Amounts not so withdrawn in any one year shall not be added to or increase amounts subject to withdrawal in any succeeding year. The right contained in this paragraph shall apply only if the election mentioned in subarticle C of this Article III shall not have been made as to any part of the trust. If such election shall have been made as to part, but not all, of the trust, and if the Trustee shall have separated the trust as authorized in said subarticle C, then such right shall apply with respect to the separate trust consisting of the portion with respect to which the election was not made.

2. It is the Grantor's intention that MARY shall have substantially that degree of beneficial enjoyment of this trust during her life which the principles of the law of trusts applicable in the State of New Jersey accord to a person who is unqualifiedly designated as the life beneficiary of a trust. Accordingly, the Trustee shall so manage this trust as to produce for MARY, a distributable income consistent with the value of the principal of the trust and its preservation, and shall not retain as principal thereof any assets which shall not be productive of income unless she shall consent thereto which consent, if granted, can be revoked at any time. No powers, rights or discretions granted to the Trustee hereunder shall be construed in such a way as to deprive MARY of said beneficial enjoyment of the trust.

3. MARY shall have the right to disclaim, or to renounce, at any time, any one or more of the rights, powers or options contained in this subarticle A relating to distribution or use of principal of the trust to her or for her benefit.

4. The provisions of Article VI hereof shall not apply to prevent the sale by a remainderman of the trust of his or her remainder interest in the trust to the trust or to MARY, nor shall they apply to prevent assignment by her of all or part of her interest in trust income to one or more organizations described in both of Sections 170(c) and 2522(a) of the Code.

B. Upon the death of the Grantor's wife, MARY JONES, any income of the trust that shall then be accrued but not received, or received but not distributed, shall be paid over and distributed to her estate, and she shall have the right to appoint the then remaining principal of the trust to and among such of the Grantor's descendants as she shall desire, and the Trustee shall transfer and set over such principal in accordance with any exercise of such power. This power of appointment may be exercised by MARY by (and only by) specific provision in her Last Will and Testament making reference hereto, and may be exercised in favor of the permissible appointees in such proportions and amounts, and upon such estates, whether in trust or otherwise, as she shall desire, but may not be exercised for the purpose of discharging a legal obligation (whether for support or any other purpose) of MARY or for her pecuniary benefit. Any portion of the principal of the trust remaining at the date of death of MARY which she shall not have validly appointed by her Last Will and Testament as above provided shall be added to the trust administered under Article II hereof, if it shall then be in existence, and/or administered as set forth in subarticle B or C thereof, whichever shall be applicable, as if the same had constituted part of the unappointed principal of the trust administered pursuant to said Article II.

C. With respect to the trust, hereinabove created, it is the Grantor's expectation that the executors of his estate shall make the election provided for in Section 2056(b)(7) of the Code, so that said trust shall qualify for the Federal estate tax marital deduction, but the Grantor acknowledges that his executors shall have the discretion, in accordance with the criteria set forth in the Grantor's Last Will and Testament, not to do so, in whole or in part. If the Grantor's executors shall make the aforesaid election as to part, but less than all, of said trust, then the Trustee may, but shall not be required to, separate said trust into two separate trusts, each to be administered in accordance with the foregoing provisions, with one separate trust consisting of the portion of said trust with respect to which such election was made and the other separate trust consisting of the portion with respect to which the election was not made. Assets allocated to each such separate trust shall be valued for such purpose as of the date of allocation.

In addition, if the Grantor's executors shall make the election provided for in said Section 2056(b)(7) with respect to any portion of the trust, or any separate trust created therefrom, then it is the Grantor's expectation that his executors also shall consider making the election provided for in Section 2652(a)(3)(A) of the Code to treat so much of such portion, or of such separate trust, as shall be appropriate, for purposes of the generation-skipping transfer tax, as if the election provided for in said Section 2056(b)(7) had not been made, so that the Grantor's unused GST exemption may be allocated to such portion or such separate trust, but the Grantor's executors shall have the discretion, in accordance with the criteria set forth in the Grantor's Last Will and Testament, not to do so, in whole or in part. The Trustee is hereby authorized to further separate such portion or such separate trust, in the manner set forth above, to facilitate said election and allocation of GST exemption.

D. If, following the death of the Grantor's wife, husband, MARY JONES, the Trustee shall receive notification from the executors or administrators of her estate that they intend to recover from the person or persons receiving the assets of the trust, or any separate trust created therefrom, all or part of the increase in Federal and State estate taxes payable by her estate due to the inclusion in her gross estate for Federal and State estate tax purposes of all or part of the value of the trust(s) upon her death, pursuant to Section 2207A of the Code and applicable State law, then (i) to the extent permitted by law, the total amount to be so recovered from all such trusts shall first be paid out of the trust(s) for which the election provided for in Section 2652(a)(3)(A) of the Code shall not have been made, and any balance shall then be paid out of the trust(s) for which the election provided for in said Section 2652(a)(3)(A) shall have been made, and (ii) prior to making any distribution, division or other disposition of the then remaining principal of such trust(s), the Trustee may, but shall not be required to, lend to such executors or administrators, or advance to them, so much or all of the amount to be so recovered as the Trustee, in his discretion, shall deem advisable. Such loan or advancement need not await the actual payment by MARY's estate of its Federal and State estate taxes, and in the exercise of his discretion hereunder the Trustee may take into account the best interests of MARY's estate and the recipients thereof, including any expense or loss it or he may incur as a result of having to pay such taxes without the benefit of such loan or advancement. The Trustee shall be entitled to rely upon the written advice of the executors or administrators of MARY's estate attesting to both the amount that they are entitled to recover (which may be an estimate) and the reasons why such loan or advancement is requested, without the necessity of verifying the same.

E. With respect to the right of recovery referred to in subarticle D hereof, the Trustee shall reimburse the estate of the Grantor's wife, MARY JONES, for the reasonable costs of determining the amount of such recovery, including, but not limited to, legal, accounting and appraisal fees. The loan or advancement provisions of said subarticle D shall likewise apply to such costs.

F. If the Grantor and his wife, MARY JONES, shall die at the same time, within one hundred twenty (120) hours of each other or under such circumstances that the order of their deaths cannot be determined with certainty, then for all purposes of this trust agreement, or otherwise, she shall be deemed to have survived him.

G. If the Grantor's wife, MARY JONES, shall survive him, she shall have the right to direct that all or part of the proceeds or assets required to be allocated to the trust administered pursuant to subarticle A hereof shall not be allocated to and placed in said trust. This right, if exercised, shall constitute a disclaimer pursuant to the provisions of Section 2518 of the Code. This right may be exercised by MARY by delivering to the Trustee, either in person or by certified mail, within the time period allowed by said Section 2518, an instrument in writing, executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey, setting forth the amount so disclaimed, and if the same shall be less than the whole of such proceeds or assets, then it may be expressed either as a fraction thereof or as a monetary amount, or any combination thereof. Any exercise of such right shall be irrevocable and shall also comply with the requirements of applicable Federal and State laws. Any amount so disclaimed shall be held by the Trustee in a separate trust, to be administered as if MARY survived the Grantor, notwithstanding any contrary statutory provisions governing the distribution of disclaimed property, for the following uses and purposes:

1. Until the death of MARY, the Trustee shall pay to her, or apply for her benefit, the entire net income of the trust, at convenient intervals, but not less often than quarter-annually. In addition, MARY shall have the right, exercisable at any time and from time to time, upon written request to the Trustee, to receive payment out of the principal of the trust of such amount or amounts as she shall deem reasonably necessary to provide for her health, maintenance and support. If, in the judgment of the Trustee, MARY is incapable of exercising such right, then the Trustee may exercise such right on MARY's behalf while such incapacity shall exist. In the exercise of such right by the Trustee, he shall consider that it is the Grantor's primary intention that MARY, for as long as she shall live, shall continue to enjoy the same standard of living that she enjoyed at the time of the Grantor's death, and that preservation of principal for the remaindermen of the trust shall be subordinate thereto.

In addition to the aforementioned payments of net income and principal, MARY shall have the absolute right, exercisable only during the last ten (10) days of each calendar year, upon written request to the Trustee, to receive payment out of the principal of the trust of such amount or amounts as she shall desire, for any purpose at all, not to exceed in the aggregate, however, in any one calendar year, an amount equal to five (5%) percent of the value of the trust as of the last day of such calendar year. Amounts not so withdrawn in any one year shall not be added to or increase amounts subject to withdrawal in any succeeding year.

2. Upon the death of MARY, the then remaining principal and undistributed income of the trust shall be added to the trust administered under Article II hereof, if it shall then be in existence, and/or administered as set forth in subarticle B or C thereof, whichever shall be applicable, as if the same had constituted part of the unappointed principal of the trust administered pursuant to said Article II.

ARTICLE IV

Anything in this Agreement to the contrary notwithstanding:

A. Any trust created hereunder which shall be or become subject to a rule against perpetuities and which, by its terms, shall not have terminated on or before the date which is twenty-one (21) years after the death of the last survivor of the Grantor, his wife, MARY JONES, and those of the Grantor's descendants who shall be living on the date of execution of this Agreement, shall nevertheless terminate on such former date, and the principal and undistributed income thereof shall thereupon be paid over and distributed free of trust to the then current income beneficiary thereof, or the current income beneficiaries thereof, in equal shares, if more than one.

B. If any beneficiary or remainderman hereunder, other than the Grantor's wife, MARY JONES, shall survive him but shall die within ninety (90) days of his death, such beneficiary or remainderman shall be deemed to have predeceased the Grantor.

C. If any beneficiary or remainderman hereunder shall survive the Grantor's wife, MARY JONES, but shall die within ninety (90) days of her death, such beneficiary shall be deemed to have predeceased MARY.

ARTICLE V

A. Whenever, pursuant to the terms of this Agreement, the Trustee is directed to hold any property in trust, the Trustee shall hold the same; shall manage, administer, invest and reinvest the principal of the trust; shall collect and receive the income thereof; shall pay any and all expenses incident to the operation of such trust; and shall distribute the net income and principal thereof in the manner set forth.

B. Whenever, pursuant to the terms of this Agreement, the Trustee is given discretion to pay to a beneficiary of any trust created hereunder, or to apply for his or her benefit, such portions of the income of the trust, and/or such sums out of the principal of the trust, as the Trustee shall deem advisable, the Trustee may make such payment or application solely to provide for such beneficiary's health, maintenance, support and education (including undergraduate and postgraduate education). In the case of income, the Trustee shall add to the principal of the trust any such net income not so expended in any fiscal year of the trust.

C. Whenever, pursuant to the terms of this Agreement, the Trustee is given discretion to pay to a beneficiary of any trust created hereunder, or to apply for his or her benefit, portions of

the income and/or principal of the trust, the Trustee may take into consideration, but shall not be required to do so, any other income or property which may be available to such beneficiary, including the support which a spouse or parent does provide, or is obligated to provide.

D. Whenever, pursuant to the terms of this Agreement, the Trustee is given discretion to pay or to apply income or principal of a trust to or for the benefit of a minor, the Trustee may, in his discretion, make such payment or application by expending the same directly for the benefit of such minor, or by paying the amount so to be paid or applied to the parent or legal guardian of such minor, or to the person with whom such minor may reside, or to a person standing in the place of a parent to such minor, or to a Custodian for such minor designated by the Trustee under an applicable Uniform Transfers to Minors Act or Uniform Gifts to Minors Act, or directly to such minor, or otherwise, as the Trustee may, from time to time, deem expedient, and the receipt of such minor or such other payee shall be a full acquittance to the Trustee to the extent of such payments.

The provisions of this subarticle D shall also apply, to the extent applicable, whenever the Trustee is given discretion to pay or apply income or principal of a trust to or for the benefit of a person who, in his judgment, is incapable of adequately managing such income or principal.

E. Whenever, pursuant to the terms of this Agreement, a person is given the discretion, whether in a fiduciary or non-fiduciary capacity, and whether alone or in conjunction with another person, to pay or to apply income and/or principal of any trust created hereunder to himself or herself or for his or her own benefit, and the purposes for which such payment or application can be made are not limited to such person's reasonable needs relating to health, maintenance, support and education, such purposes shall be deemed to be so limited, anything contained in this Agreement to the contrary notwithstanding. If such discretion is held by more than one person, any of whom is not a person to, or on whose behalf, income and/or principal can be so paid or applied, such other person or persons may exercise the discretion granted without reference to the limitations herein set forth. This subarticle shall not apply, however, (i) to a right of withdrawal if the amount which could be withdrawn is limited so that it does not exceed the greater of the dollar or percentage limitation contained in Section 2514(e) of the Code or (ii) to the right to withdraw the amounts subject to withdrawal pursuant to paragraphs 2 and/or 5 of subarticle A of Article I hereof.

F. Whenever, pursuant to the terms of this Agreement, a person is given the discretion, whether in a fiduciary or non-fiduciary capacity, and whether alone or in conjunction with another person, to pay or to apply income and/or principal of any trust created hereunder to or for the benefit of any other person, then the purposes for which such payment or application can be made shall be limited to those which do not relieve the person having such discretion of a legal obligation, whether for support or any other purpose, anything contained in this Agreement to the contrary notwithstanding. If such discretion is held by more than one person, any of whom is not a person whose legal obligation could be relieved by such payment or application, such other person or persons may exercise the discretion granted without reference to the limitation herein set forth.

G. Whenever, pursuant to the terms of this Agreement, there shall be more than one beneficiary of any one trust, and the Trustee is given discretion to utilize income and/or principal of such trust for their benefit, the Trustee may pay or apply such income and/or principal to or for the benefit of such beneficiaries equally or unequally, or to or for the benefit of any of them to the exclusion of others (subject only to such preference, if any, of one beneficiary over any other as may be specifically stated under the terms of such trust), so that utilization of trust income and principal among such beneficiaries according to their respective needs shall take precedence over equal distribution thereof.

ARTICLE VI

The interest of any beneficiary or remainderman in any trust created hereunder, either in income or in principal, or in both, shall not be subject to sale, assignment, pledge or transfer in any manner, and such interest shall not be liable or subject in any manner while in the possession of the Trustee for the debts, contracts, obligations, liabilities, engagements, undertakings or torts of any such beneficiary or remainderman. No beneficiary or remainderman shall have the power in any manner to anticipate, charge or encumber his or her interest, either in income or in principal, or in both.

ARTICLE VII

For all purposes under this instrument, whether for the determination of relationships or otherwise:

A. Adopted children of the Grantor shall be considered to have, and shall be given, the same status as natural-born children and adopted children of any other person shall be considered to have, and shall be given, the same status as natural-born children only if the child was a minor when adopted and lived while a minor (either before or after the adoption) as a regular member of the household of the adopting parent. All references in this Agreement to children or descendants of the Grantor or any other person shall include, and the Grantor directs that this Agreement shall be effective notwithstanding the fact that there shall be, any child, children, descendant or descendants of the Grantor or any other person born or adopted after the date of execution hereof.

B. No one claiming to be a natural-born descendant of another person shall be considered as such unless the claimant and the purported parent had established a child-parent relationship prior to the time in question and they had lived together, while the claimant was a minor, as child and parent in the same household. The purpose of this paragraph is to prevent someone from successfully claiming to be a person's child although never acknowledged to be such and it shall apply notwithstanding any provision of law to the contrary.

ARTICLE VIII

Any portion of the principal of any trust created hereunder vesting in absolute ownership in a person who is a minor and/or who, in the judgment of the Trustee, is incapable of adequately managing such assets, may be held for the benefit of such person by the Trustee until such minor shall attain majority and/or, in the judgment of the Trustee, such incapacity shall cease to exist. During such period, the Trustee so holding such property shall have all the powers and authority herein granted to him with respect to any trust created hereunder; shall not be required to furnish bond or other security; and may pay or apply to or for the benefit of such person, in any applicable manner set forth in subarticle D of Article V hereof, such portions, or all, of the property so held, and/or the income earned thereon, as he shall deem to be in the best interest of such person, accumulating as principal any income not so expended in any year. The authority granted to the Trustee hereunder shall be in addition to, and not in lieu of, any other alternative available to him with respect to the administration and distribution of such portion of the principal of the trust, and it shall be construed as a power only, and shall not operate to suspend the absolute ownership of such property, or of such accumulations of income, if any, by such person, nor shall it prevent the absolute vesting thereof in such person.

ARTICLE IX

As used in this Agreement, the term "split-ownership" shall refer to any policy or policies of insurance, whereunder the right to receive the portion of the death proceeds in excess of the cash value is vested in the Trustee, and the cash value, including the right to receive the portion of the death proceeds equal to the cash value, is vested in any person other than the Trustee, whether such rights shall have arisen by virtue of assignment from the Grantor or any other person or by endorsement to such policy or policies, or otherwise.

ARTICLE X

A. The Grantor, and/or any other person, from time to time, may assign to the Trustee all of the incidents of ownership in another policy or policies of insurance on the Grantor's life, and/or may transfer to the Trustee a portion thereof on a split-ownership basis, and/or may cause all or part of the proceeds thereof, or other death benefits, to be made payable to the Trustee, pursuant to a revocable or irrevocable designation of beneficiary, or otherwise. Such additional policies and death benefits, and/or the proceeds or portion of the proceeds thereof transferred to or made payable to the Trustee, shall be subject to all of the terms and conditions of this Agreement in the same manner as if they had been included herein at the time of the making and execution hereof. All references in this trust agreement to insurance policies shall be deemed to include the policy or policies of insurance described in the annexed Schedule A and any other insurance policy or policies, or death benefits, the incidents of ownership in which shall hereafter be assigned to or procured by the Trustee and/or the portion of any other policy or policies which shall hereafter be transferred to or procured by the Trustee on a split-ownership basis and/or the proceeds of any other policy or policies which are hereafter made payable to the Trustee primarily or upon the occurrence of certain contingencies.

B. The Trustee, in his discretion, may accept such an assignment of the incidents of ownership of, and/or may on his own initiative procure, another policy or policies of insurance on the life of the Grantor, in such amount or amounts, and of such type or types (whether on a split-ownership basis or otherwise), and issued by such insurance company or companies, as the Trustee, in his discretion, shall deem advisable.

C. In addition to the above mentioned policies of life insurance, the Trustee, at any time and from time to time, shall receive and accept from the Grantor and/or the executors or administrators of the Grantor's estate and/or the Trustee of any trust created by the Grantor by deed or Will; and may receive and accept from any other person or persons, including the fiduciary of any other estate or trust, any additions to the trust, in the form of cash, stock, securities or other property, real, personal or mixed, provided that such additions are acceptable to the Trustee, including any contributions toward the payment of premiums on policies of life insurance owned by the Trustee. Unless otherwise directed in the instrument governing the transfer of such additions to the Trustee, the same shall be administered as part of said trust and shall be subject to all the terms and conditions of this trust agreement.

D. Any policy or policies of life insurance, or portion thereof, owned by the Trustee, whether originally procured by the Trustee or assigned to him, may be held and maintained, notwithstanding that such policy or policies may be considered unproductive assets.

ARTICLE XI

A. The Trustee, in his discretion, may apply all or any part of the net income and/or principal of the trust, including any sums available to him pursuant to the authority contained in Article XII, toward the payment of premiums on any life insurance policy or policies as the same accrue.

B. The Trustee shall have no obligation whatsoever with respect to the payment of premiums, dues, assessments or other charges in connection with any policies of life insurance, or portion thereof, owned by him, and nothing contained in this trust agreement shall be construed as a requirement that the Trustee shall procure, retain or maintain any policy of life insurance, or portion thereof, or that he shall solicit contributions toward the payment of premiums thereon, it being the intention of the Grantor and the understanding of the parties hereto that the Trustee shall have the discretion to permit any or all of such policies of life insurance to lapse, or to surrender for cash any or all of those policies the cash value of which is owned by the Trustee, and that he shall not incur any liability to anyone by reason of the exercise of such discretion.

ARTICLE XII

A. With respect to any life insurance policy or policies owned in full by the Trustee, the Trustee, in his discretion, may exercise any and all of the rights, privileges, benefits and

options appertaining thereto, including, without limitation, the following rights, privileges, benefits and options:

1. To receive or withdraw at any time or times, in cash, all dividends or shares of surplus allotted or set apart to any of said policies, and the surrender value of all additions to any of said policies purchased by such dividends or shares of surplus.

2. To obtain and secure from the insurance company issuing any such policy of insurance, such advances or loans on account of any of said policies as may be available from time to time.

3. To surrender any of said policies for the cash value thereof or for extended insurance, or to elect to take paid-up insurance with respect to any of said policies.

4. To pledge any of said policies as security for the repayment of loans made to the trust.

5. To revoke or to change the beneficiary of any of said policies in order to comply with the provisions of this trust agreement.

6. To convert or exchange any policy or policies into another or other policies, whether or not from the same insurer.

7. To elect or to alter any method of settlement of the proceeds of any of said policies, and to make successive changes thereof.

8. To assign all or part of any of said policies in connection with the administration of this trust, or in the exercise of the powers granted to him hereunder or vested in him by operation of law.

9. If required by any insurance company issuing any such policies, to discharge said company from any and all liability for any amounts paid to the Trustee, or in accordance with his direction, and to agree that no such insurance company shall have any obligation whatsoever to see to the application of any such amounts so paid by it, and to agree further that any such insurance company shall be fully protected in taking or permitting any action in reliance on any instrument or document executed by the Trustee in his capacity as Trustee, and that such insurance company shall not incur any liability for so doing.

10. To enter into a viatical settlement of any of said policies, whether or not the insured or insureds thereunder is or are terminally ill or chronically ill.

B. With respect to any insurance policy or policies owned in part by the Trustee on a split-ownership basis, the Trustee, in his discretion, may exercise any and all of those rights, privileges, benefits and options appertaining thereto (including, without limitation, those specifically enumerated in subarticle A hereof), as shall be applicable to the portion of such policy

or policies owned by the Trustee, and the remainder of such rights, privileges, benefits and options shall be exercisable by the owner of the cash value portion thereof.

ARTICLE XIII

With respect to any life insurance policy or policies not owned by the Trustee, but the proceeds of which are made payable to the Trustee, the Grantor, or the owner thereof if other than the Grantor, shall have the sole right to exercise any and all of the rights, benefits, elections, privileges and options of whatsoever kind appertaining to such insurance policies, without in any way first securing the consent of the Trustee thereto. With respect to any such insurance policies, and without limiting the generality of the foregoing, the Grantor or other owner shall have the right to borrow upon any such policy or policies and pledge the same as security for the repayment of loans; to surrender any such policy or policies for the cash surrender value or for extended insurance; to assign all or part of any such policy or policies; to change the beneficiary thereunder and to make successive changes thereof (unless such right shall have been released in writing); to convert any such policy or policies into another or other policies; to receive all dividends upon said policies, and to direct the disposition of such dividends, and, from time to time, to change such directions; and to collect, and retain free of this trust, the proceeds of any policy or policies which mature during the lifetime of the insured thereunder. The Trustee, however, is authorized and empowered, in his discretion, to exercise any and all rights granted to him as beneficiary of any such life insurance policies.

ARTICLE XIV

A. The Trustee shall have, and is hereby given, full power and authority to make all necessary proofs of death under any life insurance policies and to execute and deliver any and all receipts for the proceeds thereof. Except at his own option, the Trustee shall not enter or maintain any litigation to enforce payment of any life insurance policy or policies until he shall have been indemnified to his satisfaction against all expenses and liabilities to which he may, in his judgment, be subjected, or in which he may become involved, by such action on his part. The Trustee, however, may utilize the proceeds of any life insurance policy to meet expenses incurred in connection with enforcing payment of the proceeds of any other policy.

B. The Trustee is authorized to compromise and adjust claims arising out of any insurance policy or policies upon such terms and conditions as he may deem advisable, and the decision of the Trustee in that regard shall be binding and conclusive upon all persons interested therein.

C. The Trustee shall be responsible for the proceeds of the life insurance policies only when, as and if collected, or paid to him, and he shall have no responsibility or liability whatsoever to anyone if for any reason any policy or policies shall be uncollectible in whole or in part.

ARTICLE XV

In the administration of the trusts created hereunder, the Trustee shall have the following powers, in addition to all powers vested in him by law, which in each and every instance may be exercisable by him at such times (if at all), in such manner, and in accordance with such criteria, as he, in his discretion, shall deem appropriate:

A. To retain any investment and property which may be received by him for such length of time as to him may seem proper, without liability by reason of such retention.

B. To make such investments and reinvestments of principal and accumulated income as he may consider proper, so long as the requirements (other than diversification) of any applicable Prudent Investor Act (or equivalent) are satisfied. The Trustee may make his decision regarding diversification based upon such criteria as he, in his sole discretion, shall deem advisable, including, but not limited to, tax considerations, and the Trustee shall incur no liability of any kind as a result of his decision whether or not to diversify. Any such investments may be held in bearer form, or in the name of the Trustee, or in the name of a nominee or nominees.

C. To retain cash or the proceeds from the sale of any assets until such time or times as he deems it appropriate to invest such funds.

D. With respect to any securities forming part of any trust created hereunder: To exercise all voting rights, either in person or by proxy; to enter or refuse to enter into any dissolution, liquidation, consolidation, recapitalization, reorganization, merger or other change in capital structure, and in connection therewith, to make exchanges of securities and to enter into agreements on such terms and conditions as he may deem advisable; and to enter into voting trusts and agreements with other stockholders, and other holders of securities, and the corporations which shall have issued such stock or securities, or any one or more of such persons, for such purposes and for such period of time (whether or not the same extends beyond the actual or probable duration of the trusts created hereunder), and upon such terms and conditions as he shall deem advisable.

E. To enter into any lease or leases, without application to any court, of any or all real or personal property held hereunder, for such period (whether or not the same extends beyond the actual or probable duration of the trusts created hereunder), and upon such terms and conditions as he shall deem advisable.

F. To borrow money or property, either upon the security of any or all of the assets of the trusts created hereunder, or without security or otherwise, upon such terms and conditions and for such purposes in connection with the administration of the trusts as to him shall seem proper.

G. To grant, bargain, sell, exchange, mortgage, grant options to buy, or otherwise dispose of any or all real or personal property, or both, at any time held hereunder, either at public or private sale, for cash or on credit, or partly for cash and partly on credit, upon such terms and conditions, in such manner and for such purposes, and either in whole or in part, as he may deem proper; and to make, execute, acknowledge and deliver good and sufficient instruments for that

purpose. No purchaser, upon any sale or other disposition, shall be bound to see to the application of the monies or property arising therefrom or to inquire into the validity, expediency or propriety of any such sale or disposition.

H. To maintain and insure all real and personal property, and to develop, repair, remodel, alter, build on, improve, rebuild or reconstruct any or all real property, either by building, constructing or erecting new buildings or by repairing, remodeling, altering, rebuilding or reconstructing existing buildings, for such purposes, to any and every extent, and in such manner as he may deem proper, and to borrow monies in connection therewith upon the security of any such real property and/or of any or all other assets of the trusts.

I. To foreclose any mortgage or mortgages, and to take title to the property or any part thereof affected by such mortgage or, in his discretion, to accept a conveyance of any property in lieu of foreclosure, and to collect the rents and income therefrom, either through a receiver or directly, and to protect such property against foreclosure under any mortgage that shall be a prior lien on said property, or to redeem from foreclosure under any such mortgages, as well as to protect such property against nonpayment of taxes, assessments or other liens.

J. To adjust, compromise or arbitrate claims or demands of, or against, the trusts created hereunder, whether such claims are due or shall become due in the future, including without limitation any overpayment or refund claim, or any deficiency, additional assessment or other liability, relating to any Federal, state, county, municipal or other tax, irrespective of the nature thereof.

K. To join with any other person, persons, nominee or nominees in the incorporation of any and all corporations, for such purposes, for such periods of time, and upon such terms and conditions respecting the organization, operation and maintenance thereof (including not by way of limitation, the adoption of by-laws, rules and regulations) as he shall deem advisable, and to pay for the stock of any such corporation with any or all of the assets of the trusts created hereunder, and to contribute to the capital of such corporation, or to lend to it, any or all of the assets of the trusts created hereunder.

L. To join with any other person, persons, nominee or nominees in any partnership, whether general or limited, or in any joint venture, limited liability company or other business association, for such purposes, for such period of time, and upon such terms and conditions, as he shall deem advisable, and to contribute to the capital of any such partnership, joint venture, limited liability company or other business association, or to lend to it, any or all of the assets of the trusts created hereunder.

M. To engage in and operate any business for such purposes, in such manner and for such periods of time as he shall deem advisable, and to apply any and all assets of the trusts created hereunder to the conduct of any such business.

N. To grant options and execute option agreements with respect to the sale or lease of property held by him hereunder, without obligation to repudiate the same in favor of better offers.

O. To assign one or more shares of the stock of any corporation which may at any time be held by him hereunder to himself, or to a nominee or nominees, for the purposes of qualifying such person to act as a director of the corporation, the stock of which is so assigned.

P. To engage such attorneys, investment counsel, clerks, employees, agents, accountants, brokers, officers, architects, contractors, subcontractors, surveyors, and such other persons, firms or corporations, as he shall deem necessary or helpful in connection with the administration of the trusts created hereunder, at such wages, fees, compensation, remuneration, commission rates, prices, consideration or otherwise, as he shall deem proper.

Q. To set up reasonable reserves for depreciation and/or depletion.

R. To execute and deliver all documents, contracts and instruments necessary or advisable in connection with the administration of the trusts created hereunder.

S. To make and retain joint investments and investments of undivided interests in any property, real or personal, whether or not all the property be held hereunder, and whether or not the provisions under which such other property is held are similar, and to administer, or to permit to be administered, all or any part of such property in one or more consolidated funds in which the same shall have joint or undivided interests without any physical division of the investments, but such consolidation of investments shall not operate to merge the legal or beneficial interests in such separate trusts, parts or shares; and to hold and administer any property in a common trust fund administered by any acting corporate Trustee.

T. To purchase any improved or unimproved real property, at public or private sale, for cash or on credit, or partly for cash and partly on credit, and/or subject to any existing mortgage or mortgages, for such purposes and upon such terms and conditions as he shall deem advisable.

U. To mortgage or pledge any or all real or personal property at any time held hereunder, and to enter into construction mortgages or purchase money mortgages respecting any and all real property, for such purposes and upon such terms and conditions as he shall deem advisable.

V. To continue to hold and administer the interest in any business of which the Grantor may be the owner, whether such ownership be as an individual, partner, joint venturer, member or stockholder, or otherwise, or to engage in and operate any business, for such purposes, in such manner, and for such period of time, as he shall deem proper, and to apply to the conduct of any such business any or all of the assets of the trusts created hereunder.

W. To dissolve or to participate in the dissolution of any partnership, joint venture or limited liability company in which the Grantor shall have an interest or in which the Trustee, in the administration of the trusts created hereunder, shall hold an interest, or of which he shall become a member, whether such dissolution be by agreement, operation of law, or by the judgment of any court, and to enter into any agreements with respect thereto, upon such terms and conditions as he shall deem proper.

X. Without in any way limiting the generality of the foregoing powers, to sell any interest in any business which may come into his hands as part of any trust created hereunder, at such time or times, for such amount or amounts, for cash or on credit, or partly for cash and partly on credit, and upon such terms and conditions, as he shall deem proper.

Y. To lend money to, and to purchase as an investment for the trusts created hereunder from, the executors or administrators of the Grantor's estate, and/or the executors or administrators of the estate of the Grantor's spouse, and/or the Trustee of any trust created by the Grantor or the Grantor's said spouse, by deed or Will, any cash, stock, securities or other property, real, personal or mixed, constituting part of the Grantor's estate, or of the estate of the Grantor's said spouse, or constituting part of any such trust, at such prices, and upon such terms and conditions, as the Trustee, in his discretion, shall deem appropriate.

Z. To allocate receipts and disbursements of any trust created hereunder between income and principal thereof in such a manner as the Trustee shall deem advisable, so long as the requirements of any applicable Principal and Income Act or equivalent are satisfied, except that during the lifetime of the Grantor's wife, MARY JONES, no allocation or allocations shall be made with respect to any portion of any trust created hereunder which could prevent the same from qualifying for the Federal estate tax marital deduction.

ARTICLE XVI

In the administration of the trusts created hereunder, the Grantor directs that:

A. In any case in which the Trustee is required to divide any trust created hereunder, or any portion thereof, into parts or shares, and/or is required to distribute the same, or any portion thereof, or any part or share into which the same shall have been divided, either to a single distributee, or to two (2) or more distributees, he, in his discretion, may make such partition, division or distribution wholly in kind or in money, or partly in kind or in money, and may distribute different property interests to the several distributees, and the choice and relative value of the property or money so distributed, partitioned or divided shall, in the absence of fraud or bad faith, be binding and conclusive on everyone interested therein, and he shall in no event be accountable for any error of judgment or discretion in exercising the power and authority herein conferred.

B. The Trustee shall not be accountable for any loss which may occur to the trusts herein created as a result of the exercise of, or the refusal to exercise any of the powers or discretions vested in him, so long as such exercise or refusal to exercise is made in good faith.

C. No loss whatever resulting to the trusts created hereunder, through the ownership or operation of any business by the Trustee, or as a result of the building, construction or erection by him of any building, improvements or structures, whether the same be carried on by a corporation, partnership, proprietorship, joint venture, limited liability company or otherwise, shall be chargeable against the Trustee personally.

D. The Trustee may consult with counsel and shall be fully protected in any course of conduct taken in good faith in accordance with the advice of counsel.

E. The Trustee shall not be disqualified from acting hereunder or from exercising any power granted herein because he may hold an interest in property in which any trust created hereunder shall also hold an interest, or be a creditor of any such trust, or be an employee or agent of, or the holder of an interest in, any business, sole proprietorship, partnership, joint venture, limited liability company, corporation, or otherwise, in which any trust created hereunder may hold an interest, or by reason of the fact that he may also be serving as executor of the Grantor's estate or the Trustee of any trust established under the Grantor's Last Will and Testament.

F. If pursuant to any provisions of this Agreement a trust would be established to which any part of the Grantor's GST exemption (provided for in Section 2631(a) of the Code) would be allocated (hereinafter referred to as a "GST Trust"), and if after such allocation the inclusion ratio of such trust for generation skipping transfer tax purposes would not be zero, then the Trustee may, but shall not be required to, establish two separate trusts, each to be administered in accordance with the provisions applicable to the GST Trust, with one trust having an inclusion ratio of one and the other trust having an inclusion ratio of zero. Assets that would have constituted the GST Trust shall be allocated between the two separate trusts as necessary to establish the prescribed inclusion ratios, and shall be valued for such purpose as of the date of allocation.

In addition, if pursuant to any provisions of this Agreement any portion of any trust created hereunder is required to be added to the principal of any other trust created hereunder (such latter trust being hereinafter referred to as the "recipient trust") and if the inclusion ratios (for generation skipping transfer tax purposes) of such trusts are not identical, then the Trustee, in lieu of making such addition, may, but shall not be required to, hold such portion in a separate trust, to be administered in accordance with the provisions applicable to the recipient trust.

In further addition, if pursuant to any provision of this Agreement a trust has been established that has an inclusion ratio of greater than zero and less than one, then the Trustee may, but shall not be required to, divide such trust into two separate trusts, provided that such division meets the definition of a "qualified severance" contained in Section 2642(a)(3) of the Code or Regulations promulgated pursuant thereto.

G. The Trustee may be employed and/or engaged in any capacity by, or render services to, any trust created hereunder, and/or may be employed and/or engaged by any corporation, proprietorship, joint venture, limited liability company, sole proprietorship or other entity in which any such trust may have an interest, and shall be entitled to receive and to retain (in addition to his remuneration for his services as Trustee herein) such compensation, perquisites and reimbursement of expenses in connection with such services, in such manner and upon such terms and conditions, as he, in his discretion, shall deem proper.

H. The Trustee may disclaim all or part of any power or discretion held by the Trustee in a fiduciary capacity, and may determine whether or not such disclaimer shall be binding upon,

and shall constitute a disclaimer by, any or all successor or substitute Trustees hereunder, without having to obtain court authorization for such disclaimer or determination

I. The Trustee may delegate discretion relating to the investment and management of trust assets to an agent (including an entity affiliated with any trust institution serving as a Trustee) and may do so without liability for the decisions, actions, omissions, neglect, misconduct or default of such agent, provided that such agent was selected and retained with reasonable care, skill and caution. The Trustee may pay such agent reasonable compensation for his, her or its services. Notwithstanding any statute or rule of law to the contrary, such compensation (other than of a fiduciary serving hereunder) shall not reduce any statutory commissions or other fees payable to the Trustee.

ARTICLE XVII

Except with respect to matters agreed to be undertaken by the insurance company or companies which issued the policy or policies of insurance described in the annexed Schedule A, and any other life insurance company which may issue any policies which may become subject to this Agreement, the Grantor hereby relieves such companies from any responsibility to see to the execution and performance of the terms and conditions hereof.

ARTICLE XVIII

A. If STEVE SMITH shall cease to serve as Trustee, for any reason whatsoever, then the Grantor's sister-in-law, SHELLEY SMITH, shall serve as his successor.

The last serving Trustee of a trust created hereunder shall have the right, by an instrument in writing (executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey) or by Last Will and Testament, to appoint any individual(s) (other than the Grantor or his wife, MARY JONES), and/or trust institution of his or her choice as successor Trustee(s).

If at any time there shall be no Trustee of a trust created hereunder and no successor Trustee shall have been appointed as otherwise set forth in this Article XVIII, then the eldest living income beneficiary of the trust, by an instrument in writing, shall appoint any trust institution of his or her choice as successor Trustee of such trust, or, in the event that such beneficiary shall be incapacitated or a minor, the guardian(s) or personal representative(s) of such beneficiary shall make such appointment.

B. After the death of the Grantor, his wife, MARY JONES, shall have the right, from time to time, but in no event more than once during any five (5) year period, to remove any then

serving Trustee(s) of any trust created hereunder and either (i) allow the successor Trustee, appointed in subarticle A hereof, to serve or (ii) appoint any individual(s) (other than herself) and/or, if no trust institution shall then be serving, any trust institution of her choice as successor.

C. After the death of the last to die of the Grantor and his wife, MARY JONES, each adult beneficiary, with respect to the trust created hereunder for his or her own benefit, shall have the right, from time to time, but in no event more than once during any five (5) year period, to remove any then serving Trustee(s), other than STEVE SMITH and SHELLEY SMITH, and, if no trust institution shall then be serving, appoint any trust institution of his or her choice as successor; provided, however, that such trust institution being appointed shall, at the time of appointment, be administering trust assets valued at not less than two hundred fifty million ($250,000,000) dollars.

D. Any successor Trustee (other than SHELLEY SMITH) appointed pursuant to subarticle B or C hereof may not be related or subordinate [within the meaning of Section 672(c) of the Code] to the person making such appointment.

E. The rights granted in subarticles B and C hereof may be exercised by an instrument in writing, executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey, and delivered to the then acting Trustee(s), either in person or by prepaid, registered or certified mail, which instrument shall advise such Trustee(s) of the appointed successor(s), if any, and shall state the effective date of removal, to be not less than thirty (30) days and not more than sixty (60) days after delivery. On such effective date, or as soon thereafter as may be reasonably feasible, the Trustee(s) being removed shall then turn over to the remaining Co-Trustee(s) and/or appointed successor(s), if any, all funds then held by such Trustee(s) in the trust or trusts involved, in cash or in kind or partly in cash and partly in kind, in the discretion of the Trustee(s) being removed, reserving therefrom such amount as such Trustee(s) shall deem reasonably necessary to cover the expenses of such removal, including any applicable termination commissions. The Trustee(s) being removed shall have the right to demand and receive, prior to releasing any funds to the remaining Co-Trustee(s) and/or appointed successor(s), if any, written approval of such Trustee's or Trustees' statements or final accounting by the then living adult income beneficiary or beneficiaries, whichever shall be applicable, which shall have the same force and effect as an approved accounting pursuant to Article XXI hereof. In lieu thereof, such Trustee(s) may submit said final accounting to a court for settlement, and in either event may postpone delivery of funds to the remaining Co-Trustee(s) and/or appointed successor(s), if any, until such statements or account, judicial or otherwise, shall have been approved.

F. The compensation to any Trustee for services rendered hereunder shall be as set forth in a separate agreement between such Trustee and the Grantor or person appointing such Trustee, as the same shall be amended from time to time, or, in the absence of such agreement, (i) as provided under applicable law in the case of any individual Trustee and (ii) in the case of any trust institution, in accordance with its regularly published fee schedule in effect from time to time.

G. Any Trustee of any trust created hereunder shall have the right to resign at any time by an instrument in writing, executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey, and delivered,

either in person or by prepaid, registered or certified mail, to the Grantor if he shall then be living, or, if he shall then be deceased, to the Co-Trustee(s), or, if none, to the eldest beneficiary then entitled to receive income distributions from the trust [or in the event that such beneficiary is incapacitated or is a minor, to such beneficiary and the guardian(s) or personal representative(s) of such beneficiary]. Such resignation shall be effective upon delivery of the aforesaid written instrument of resignation to the then serving Co-Trustee(s), or, if none, upon the qualification of the resigning Trustee's successor(s), but in no event earlier than thirty (30) days after delivery of the aforesaid written instrument of resignation to the beneficiary or his or her guardian(s) or personal representative(s), whichever shall be applicable.

H. On the effective date of the resignation of a Trustee pursuant to subarticle G hereof, or as soon thereafter as may be reasonably feasible, the resigning Trustee shall then turn over to the remaining Trustee(s) and/or appointed successor(s), all funds then held by the resigning Trustee in the trust or trusts involved, in cash or in kind or partly in cash and partly in kind, in the discretion of the resigning Trustee, reserving therefrom such amount as such Trustee shall deem reasonably necessary to cover the expenses of such resignation, including any applicable termination commissions. The resigning Trustee shall have the right to demand and receive, prior to releasing any funds to the remaining Trustee(s) and/or appointed successor(s), written approval of the statements or final accounting of the resigning Trustee by the eldest then living adult income beneficiary, which shall have the same force and effect of an approved accounting pursuant to Article XXI hereof. In lieu thereof, the resigning Trustee may submit said final accounting to a court for settlement, and in either event may postpone delivery of funds to the remaining Trustee(s) and/or appointed successor(s) until such statements or accounting, judicial or otherwise, shall have been approved. The resigning Trustee's successor(s) shall be as set forth in, or appointed pursuant to, subarticle A hereof.

I. For purposes of subarticle H hereof, any individual Trustee shall be deemed to have resigned when it is determined that he or she is under a medical infirmity or physical incapacity (an "Incapacity"), which shall be deemed to exist when the same has been declared by a court of competent jurisdiction or when a conservator or guardian for such Trustee has been appointed based upon such Incapacity. Furthermore, such Incapacity shall be deemed to exist upon presentation to the then serving Co-Trustee(s), or, if none, to the next succeeding successor Trustee(s), of a certificate executed by a licensed physician which states that (i) he or she is the attending physician for the Trustee; (ii) that the Trustee is incapable of caring for himself or herself; and (iii) that the Trustee is physically or mentally incapable of managing his or her financial affairs and attending properly to the normal duties and responsibilities required for the prudent management and protection of property. The effective date of such Incapacity shall be the date of the order or decree adjudicating the Incapacity, the date of the order or decree appointing the guardian or conservator, or the date of the certificate of such attending physician described above, whichever shall first occur.

For purposes of determining a serving Trustee's Incapacity, such Trustee (hereinafter the "Consenting" Trustee) hereby consents to the disclosure to the then serving Co-Trustee(s), or, if none, to the next succeeding successor Trustee(s) [hereinafter the "Requesting" Trustee] of all of the Protected Health Information ("PHI") and medical records of the Consenting Trustee and the Requesting Trustee shall be treated as the Consenting Trustee

would be with regard to the use and dissemination of his or her PHI and medical records, including, but not limited to, any written opinion relating to the Consenting Trustee's Incapacity. This authority applies to any information governed by the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), 42 USC 1320d and 45 CFR 160-164. The Consenting Trustee hereby intends that the Requesting Trustee be treated as the personal representative of the Consenting Trustee for all purposes, as provided in 45 CFR 164.502(g)(2), relating to any inquiry relating to his or her PHI, and the Consenting Trustee therefore specifically authorize the Requesting Trustee to request, obtain, receive and inspect any and all information bearing upon the Consenting Trustee's health, including PHI relevant to the determination of the Consenting Trustee's ability to perform his or her duties as a Trustee hereunder, to sign whatever authorizations for release of information required by providers or others, and to waive any rights the Consenting Trustee may have for breach of confidentiality for the release of such information to the Requesting Trustee. The authority given to the Requesting Trustee shall supersede any prior agreement that the Consenting Trustee may have made with his or her health care providers to restrict access to, or disclosure of, his or her PHI.

In addition, the Consenting Trustee specifically authorizes any physician, dentist, health care provider, any insurance company and the Medical Information Bureau Inc., or any other health care organization that has provided treatment or services to the Consenting Trustee to give, disclose and release to the Requesting Trustee all of the Consenting Trustee's PHI and medical records regarding any past, present or future medical or mental health condition, including, but not limited to, all information relating to the diagnosis and treatment of HIV/AIDS, sexually transmitted diseases, mental illness and drug or alcohol abuse.

The foregoing authority given to the Requesting Trustee shall apply to a successor Trustee even though he or she has not yet assumed his or her duties and shall have no expiration date. Said authority shall expire only in the event that the Consenting Trustee shall permanently cease to serve as a Trustee hereunder.

The initial Trustee hereby specifically accepts the provisions of this subarticle I. Each successor Trustee, in accepting his or her duties hereunder, shall execute an instrument in writing specifically accepting the provisions of this subarticle I.

ARTICLE XIX

With respect to any trust created hereunder which shall have a single current income beneficiary, if at any time after the death of the last to die of the Grantor and his wife, MARY JONES, and after taking into account the age, maturity and competence of such beneficiary, the Trustee (other than such beneficiary) shall determine it to be in the best interest of such beneficiary to terminate such trust and distribute to him or her, outright and free of trust, the entire remaining principal thereof, such Trustee may do so, whereupon such trust shall terminate and the rights of any other beneficiaries or remainderman in such trust shall cease. In making such decision, (i) such Trustee shall take into account the relationship of commissions and expenses to the value of the principal of such trust, and if he shall decide that the value of the trust does not warrant the incurring of such commissions and expenses said decision shall be considered a proper reason for

termination pursuant to this Article; and (ii) such Trustee shall take into account the then existing and anticipated future status of the Federal estate tax and generation-skipping transfer taxes, and any applicable State estate, generation-skipping transfer and inheritance taxes, and if he shall conclude that the existence of any such tax probably was, but probably is no longer, a principal reason for the existence of the trust, said conclusion also shall be considered a proper reason for termination pursuant to this Article.

ARTICLE XX

Any trust created hereunder which shall be substantially identical to any other trust created hereunder, or to a trust created under the Last Will and Testament of the Grantor or of the Grantor's wife, MARY JONES, or under any trust created by the Grantor or MARY during their lifetimes may, in the discretion of the Trustee, be merged into such other trust, or he may accept a merger of such other trust into the substantially identical trust created hereunder, if the Trustee shall determine the same advisable to facilitate the administration thereof, to reduce the expense of operation thereof, or any other reason he shall deem to be in the best interests of the beneficiaries thereof.

ARTICLE XXI

The Trustee, upon request, but not more often than annually, shall provide to each beneficiary of any trust administered by the Trustee statements setting forth the receipts and disbursements of principal and income and the assets on hand at the commencement and expiration of the period covered by such statements. The written approval of such statements by the then living adult income beneficiary or beneficiaries, whichever shall be applicable, shall be final and binding upon all who are then or may thereafter become entitled to any part of the assets, as to all matters and transactions shown on the statements. Anything herein contained shall not preclude the Trustee, from time to time, from rendering an accounting to the parties interested therein or from submitting an accounting to a court for settlement, as he shall deem advisable.

ARTICLE XXII

A. Wherever in this Agreement the word "Trustee" is used, it shall be construed to include the Trustee and his successor or successors in office, and all references to such Trustee shall be construed in the singular or plural, and in such gender, as the sense and circumstances require.

B. Wherever in this Agreement the words "descendant" and "descendants" are used, they shall be construed to be synonymous with the word "issue".

C. Wherever in this Agreement the words "per stirpes" are used with reference to the descendants of any individual, they shall be construed to mean that the determination of such descendants begins with the children of such individual and that no distribution at any generational level shall be per capita.

D. Wherever in this Will the words "sibling" and "siblings" are used, they shall be construed to mean "brother(s) and sister(s)" (of the whole blood or of the half blood, but only if the Grantor or a descendant of the Grantor shall be the natural or adoptive parent of the latter), but not "step-brother(s) and step-sister(s)", unless the same shall have been adopted by the Grantor or a descendant of the Grantor.

E. All references made, and all nouns and pronouns used herein, shall be construed in the singular or plural, and in such gender, as the sense and circumstances require.

F. Wherever in this Agreement the word "Code" is used, it shall be construed to mean the Internal Revenue Code of 1986, as amended. Any reference to a section of the Code shall be deemed to refer to such section or to any section of similar import.

G. Wherever in this Agreement the words "trust institution" are used, they shall be construed to mean a corporation or other organization authorized to act as Trustee of both lifetime and testamentary trusts.

ARTICLE XXIII

The Trustee hereby expressly undertakes and accepts the trusts created hereby and agrees to carry out the provisions of this Agreement. Any successor Trustee shall qualify by executing an instrument in writing, duly acknowledged, by which he expressly agrees to assume the trusts and to carry out the provisions hereof.

ARTICLE XXIV

The Grantor agrees and acknowledges that any assignment of any policy to the Trustee shall, without any further action on the Grantor's part, automatically be deemed to include an assignment to the Trustee of any replacements, renewals, increases in amount thereof or supplements thereto.

ARTICLE XXV

No bond or other security shall be required of the Trustee, or any successor Trustee, in any jurisdiction in which they may be called upon to act.

ARTICLE XXVI

Except as otherwise specifically provided herein, this Agreement, and the trusts created hereunder, may not be terminated, revoked, altered, amended or changed, in any respect whatsoever, by the Grantor or by any other person.

ARTICLE XXVII

This Agreement shall be governed by the substantive law of the State of New Jersey; provided, however, that the Trustee may, at any time and from time to time, in his discretion, (i) remove (or decline to remove) all or part of the assets of any trust created hereunder, and/or the situs of administration of such trust, from one jurisdiction to another and/or (ii) elect (or decline to elect) that the substantive laws of such other jurisdiction shall thereafter govern. Any decision of the Trustee with respect to the foregoing shall be binding and conclusive on everyone interested therein.

ARTICLE XXVIII

To the extent permitted by law, if any beneficiary or remainderman under this Agreement shall, directly or indirectly, by legal proceedings or otherwise, challenge or contest this Agreement or any of its provisions, or shall attempt in any way to oppose or set aside this Agreement or impair or invalidate any of the provisions the Grantor has made in it, any distribution to, or other provision for, that beneficiary or remainderman under this Agreement shall be revoked and the property covered thereby shall be disposed of in the same manner as if the contesting beneficiary or remainderman, his or her spouse and all of his or her descendants had predeceased the Grantor.

IN WITNESS WHEREOF, the Grantor and the Trustee have hereunto set their hands and seals the day and year first above written.

Signed, Sealed and Delivered in the
Presence of:

_____ _____(L.S.)
TOM JONES, Grantor

_____ _____(L.S.)
STEVE SMITH, Trustee

SCHEDULE "A"

Company	Policy Number	Amount

STATE OF NEW JERSEY)

ss:

COUNTY OF BERGEN)

BE IT REMEMBERED, that on this day of ,2013, before me, the subscriber, , personally appeared TOM JONES, who, I am satisfied, is the Grantor mentioned in the within instrument, and thereupon he acknowledged that he signed, sealed and delivered the same as his voluntary act and deed, for the uses and purposes therein expressed.

_____

STATE OF NEW JERSEY)

ss:

COUNTY OF BERGEN)

BE IT REMEMBERED, that on this day of , 2013, before me, a Notary Public of New Jersey, personally appeared STEVE SMITH, who, I am satisfied, is the Trustee mentioned in the within instrument, and thereupon he acknowledged that he signed, sealed and delivered the same as his voluntary act and deed, for the uses and purposes therein expressed.

_____

IRREVOCABLE LIFE INSURANCE TRUST FOR JOINT AND SURVIVOR (LAST TO DIE) POLICIES

TIMOTHY AND SHIRLEY FORRESTER FAMILY TRUST

THIS AGREEMENT, made this day of , 2013, by and among TIMOTHY FORRESTER and SHIRLEY FORRESTER, residing at 38 Pine Tree Drive, Pine Hollow, New Jersey 08322 (hereinafter referred to as the "Grantors") and PAUL FORRESTER, having his office at 107 East Cedar Street, Unit 17, Cedar Run, New Jersey 08092 (hereinafter referred to as the "Trustee"):

W I T N E S S E T H :

WHEREAS the Grantors have heretofore delivered to the Trustee the sum set forth in Schedule A annexed hereto; and

WHEREAS the Grantors, desirous of providing for the management and distribution of such sum and any other property transferred and/or delivered to the Trustee during the Grantors' lifetimes and after their deaths, have decided to create the within trust, to be known as the "TIMOTHY AND SHIRLEY FORRESTER FAMILY TRUST";

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

ARTICLE I

A. Until the death of the last to die of the Grantors, the Trustee shall hold in trust any property transferred and/or delivered to him by the Grantors, or either of them, and/or any other person, during the Grantors' lifetimes, for the following uses and purposes:

1. The Trustee, at any time or times that he shall deem it advisable, may apply for the benefit of the Grantors' children, or pay over to them, so much, all or none of the "available net income" (as hereinafter defined) of the trust, and/or such sum or sums out of the principal of the trust (including the whole thereof), as the Trustee, in his discretion, shall deem advisable, except that (i) no such application or payment shall be made prior to thirty (30) days after notice of the intended application or payment shall have been given to each "beneficiary" (as hereinafter defined) entitled to withdraw principal pursuant to paragraphs 2 and/or 5 hereof, during which thirty (30) day period each such beneficiary may exercise his or her right of withdrawal notwithstanding the fact that such exercise may make the intended application or payment impossible, and (ii) no such application or payment shall be made which shall have the purpose or effect of discharging a legal obligation of the Grantors, or either of them, or which shall be for their, his or her pecuniary benefit.

2. In addition to the foregoing, each of the Grantor's children, LILLY FORRESTER and WOODY FORRESTER, and any other child of the Grantors born or adopted after the date of execution of this Agreement (referred to in this Article I as the "beneficiaries" and each individually as a "beneficiary") shall have the right, from time to time, upon written request to the Trustee, to receive payment out of the principal of the trust of such amount or amounts as he or she shall desire, for any purpose at all, not to exceed in the aggregate, however, in any one calendar year, the "annual withdrawal amount" (as hereinafter defined) with respect to such beneficiary, plus any amounts added thereto pursuant to paragraph 5 hereof.

3. The Trustee shall notify the Grantors, within fifteen (15) days after receipt, of all transfers to the trust made by any person other than the Grantors, or either of them, whether such transfer shall be in the form of all or part of a policy of insurance or cash, securities or other property. The Grantors shall notify each beneficiary of all transfers to the trust and of all payments of premiums on policies of insurance on their lives owned in full or in part by the trust, whether such payments shall be made by the Grantors, or either of them, or by any other person, firm or entity, which payments, for the purposes of this paragraph and paragraph 2 of subarticle B hereof, shall be deemed to be transfers to the trust. The Grantors shall provide such notice within fifteen (15) days after the later of the date of such transfer or the date when the Grantors receive notice thereof. The failure of the Trustee or the Grantors to provide such notice shall not affect the right of any beneficiary to withdraw principal of the trust pursuant to paragraphs 2 and/or 5 hereof.

4. All notifications required by paragraphs 1 and/or 3 hereof, and/or by subarticle D hereof, shall be made in writing and either delivered to the recipient thereof or mailed to such recipient at his or her residence address as known to the notifying party, from time to time.

5. Except as hereinafter provided, the provision of paragraph 2 hereof shall be cumulative, so that amounts not withdrawn pursuant thereto in any one year shall be added to the annual withdrawal amount in each succeeding year. Notwithstanding the preceding sentence, the cumulative amount subject to withdrawal pursuant to paragraph 2 hereof, to the extent not withdrawn in any one year, shall be reduced at the end of such year by the "lapse amount," as hereinafter defined. In the event of the death of the last to die of the Grantors prior to the lapse of all of any beneficiary's accumulated rights of withdrawal, such beneficiary may exercise such rights, according to the provisions hereof, until they shall fully lapse, over the principal of any separate trust created for his or her benefit after such Grantor's death, or, if no separate trust shall be so created, then over the principal of any other trust created hereunder, whether or not he or she shall be a current income or principal beneficiary thereof.

B. For the purposes of this Article I:

1. The phrase "available net income" of the trust shall mean such portion, if any, of the net income, if any, of the trust as the Trustee, in his discretion, shall not have expended for the payment of premiums on life insurance policies in accordance with the authority hereinafter granted to him, it being the Grantors' intention that nothing contained in this Article I shall in any manner be deemed to limit the Trustee's discretion to use all or a portion of the net income of the trust for the payment of any such premiums.

2. The phrase "annual withdrawal amount" for any calendar year for any beneficiary shall mean the lesser of: (a) the aggregate value of such beneficiary's share of each transfer made to the trust during such year, which share shall be determined by dividing the amount of such transfer by the number of beneficiaries living on the date thereof or (b) the amount of the gift tax annual exclusion contained in Section 2503(b) of the Code (taking into account the application of Section 2513 thereof, whether or not the consent provided for therein has been signified), or any statute of like import, applicable to such year with respect to a gift made to such beneficiary by the transferor of such transfer.

3. The phrase "lapse amount" for any calendar year for any beneficiary shall mean the amount with respect to which a lapse of a power of appointment shall not be deemed to be a release thereof, pursuant to Section 2514(e) of the Code, or any statute of like import, applicable to such year.

C. With respect to the discretion granted to the Trustee, in this Article I to pay or apply income and/or principal of the trust to or for the benefit of the beneficiaries thereof, the Grantors are aware of the fact that prior to their deaths all or a substantial portion of such principal may consist of policies of insurance, or portions thereof, on their lives. The Grantors therefore direct that nothing contained in this Article I shall in any manner be deemed to require that the Trustee at any time surrender any such policy for the cash value, or in the case of split-ownership policies (as hereinafter defined in Article VIII) decline to pay any portion of the premium thereon properly allocable to the Trustee, or in any other manner convert any portion of the principal of the trust into cash, it being the Grantors' intention that the authority hereinafter granted to the Trustee with respect thereto shall not be limited in any manner. If the Trustee, in accordance with the aforementioned discretion, or in compliance with any exercise of the rights granted in paragraphs 2 and/or 5 of subarticle A of this Article I, shall decide or be required to pay or apply any portion of the principal of the trust, he may, and in the absence of other available assets he shall, do so by a direct distribution of any such policy or policies of life insurance, or portion thereof.

D. In addition to the foregoing, if the Trustee, at any time prior to the death of the last to die of the Grantors, shall deem it advisable to distribute to the beneficiaries of the trust, outright or in trust for their benefit, one or more of the policies of life insurance, or portions thereof, and/or any or all of the other assets held in the trust, the Trustee may do so, whereupon the trust shall terminate if no assets shall then remain therein, except that (i) no such distribution shall be made prior to thirty (30) days after notice of the intended distribution shall have been given to each beneficiary entitled to withdraw principal pursuant to paragraphs 2 and/or 5 of subarticle A hereof, during which thirty (30) day period each such beneficiary may exercise his or her right of withdrawal notwithstanding the fact that such exercise may make the intended distribution impossible, and (ii) no such distribution shall be made which shall have the purpose or effect of discharging a legal obligation of the Grantors, or either of them, or which shall be for their, his or her pecuniary benefit.

Any distribution pursuant to this subarticle D, whether outright or in trust, may be in such proportions as the Trustee may determine, so long as all distributees, or all persons having a present or future interest in a distributee trust (whether created by the Trustee or any other

person), are one or more of the beneficiaries named herein, and/or the descendants of any such beneficiary.

The Grantors understand and intend that the discretion granted to the Trustee in this subarticle D will permit him to alter the rights of the beneficiaries to the same extent as if the Trustee had been given a power to appoint trust assets to or for the benefit of the individuals specified above. In the exercise of his discretion, the Trustee shall not be deemed to be acting in a fiduciary capacity, and such exercise shall be non-reviewable and shall be binding and conclusive upon all persons interested therein.

E. Upon the death of the last to die of the Grantors, the then remaining principal and undistributed income of the trust shall be administered as hereinafter provided in Article II.

ARTICLE II

A. Upon the death of the last to die of the Grantors, the Trustee shall receive and collect any proceeds of life insurance policies on the lives of the Grantors which shall be payable to him and any other property, interests in property and money which may be payable to him as a result of the deaths of the Grantors or any other person, whether under the Last Will and Testament of either Grantor or any other person, or otherwise, and he shall add the same to any other assets then in his possession and he shall divide all such assets into a sufficient number of equal shares so that there shall be set aside one such share for the benefit of each child of the Grantors who shall then be living, and one such share for the benefit of the then living descendants collectively of each child of the Grantors who shall then be deceased, to be allocated among them per stirpes.

Each share allocated to a child of the Grantors, and each portion of a share allocated to a descendant of a deceased child of the Grantors, shall be held by the Trustee as a separate trust for the benefit of the person for whom it shall have been allocated, for the following uses and purposes:

1. Until the attainment of the age of twenty-five (25) years by the beneficiary of the trust, the Trustee, at any time or times that he shall deem it advisable, may apply for the benefit of the beneficiary, or pay over to him or her, so much, all or none of the net income of the trust as the Trustee, in his discretion, shall deem advisable.

2. From and after the attainment of the age of twenty-five (25) years by the beneficiary of the trust, and until the termination thereof, the Trustee shall apply for the benefit of the beneficiary, or pay over to him or her, all of the net income of the trust, at convenient intervals, but not less often than quarter-annually.

3. Prior to the distribution of all of the principal of the trust, the Trustee, at any time or times that he shall deem it advisable, may apply for the benefit of the beneficiary thereof, or pay over to him or her, such sum or sums out of the principal of the trust (including the whole thereof) as the Trustee, in his discretion, shall deem advisable.

4. Upon the attainment of the age of thirty (30) years by the beneficiary of the trust, the Trustee shall pay over and distribute to him or her one-tenth (1/10) of the then remaining principal of the trust; upon the attainment of the age of thirty-seven (37) years by the beneficiary, the Trustee shall pay over and distribute to him or her one-sixth (1/6) of the then remaining principal thereof. If upon the establishment of the trust the beneficiary thereof shall then have either (i) attained age thirty (30) but not age thirty-seven (37), or (ii) attained age thirty-seven (37), then the Trustee shall then pay over and distribute to him or her either (i) one-tenth (1/10) or (ii) one-fourth (1/4) of the initial principal thereof, respectively, and only the balance shall be held in trust pursuant hereto.

5. Upon the death of the beneficiary of the trust, he or she shall have the right to appoint the then remaining principal of the trust, together with any undistributed income thereof, to and among such of the descendants of the beneficiary as he or she shall desire, and the Trustee shall transfer and set over such principal and income in accordance with any exercise of such power. This power of appointment may be exercised by the beneficiary by (and only by) specific provision in his or her Last Will and Testament making reference hereto, and may be exercised in favor of the permissible appointees in such proportions and amounts, and upon such estates, whether in trust or otherwise as the beneficiary shall desire, but may not be exercised for the purpose of discharging a legal obligation of the beneficiary or for his or her pecuniary benefit. Any portion of the principal and undistributed income of the trust remaining at the date of death of the beneficiary, which he or she shall not have validly appointed by his or her Last Will and Testament as above provided, shall be allocated among the descendants of the beneficiary living at the date of his or her death, per stirpes; and in default of such descendants, the same shall be allocated among those of the beneficiary's siblings who shall then be living and the then living descendants of any sibling of the beneficiary who shall then be deceased, per stirpes; and in default of such siblings and descendants, among the then living descendants of that child of the Grantor who shall be the ancestor of the beneficiary, per stirpes, and in default of such ancestor's descendants, among those of the Grantors' children who shall then be living and the then living descendants of any child of the Grantors who shall then be deceased, per stirpes; provided, however, that: (i) any sums thus allocated to any person for whose benefit a trust created hereunder shall then still be in existence shall be added to the principal of such trust, and shall be held and distributed as part thereof, and (ii) any sums thus allocated to any person for whose benefit there shall not then be in existence a trust created hereunder, shall be held in trust for the benefit of such person in accordance with the provisions of paragraphs 1 through 6 of this subarticle A.

6. At any time that the Trustees are required to distribute principal out of two or more trusts, which have identical terms but different inclusion ratios for generation skipping transfer tax purposes, the Trustees are authorized to distribute principal out of each such trust, pro rata or non pro rata, or all out of one or more of such trusts to the exclusion of others, taking into account the generation skipping transfer tax consequences thereof, so long as the total required principal distribution is made. In the exercise of such discretion, the Trustees are to be guided by their opinion of what action will serve the best interests of such trusts, and one or more of the beneficiaries and/or remaindermen thereof, and such discretion can be exercised without prior permission or approval of the court having jurisdiction of this Agreement. Furthermore, any such decision by the Trustees shall be final and binding on all of the beneficiaries and remaindermen of such trusts.

B. Upon the death of the last to die of the Grantors, or upon the death of the beneficiary of a trust created under subarticle A hereof, whichever shall be applicable, if none of the Grantors' children, and no descendant of any deceased child of the Grantors, shall then be living, then the Trustee shall pay over and distribute the then remaining principal and undistributed income of the trust, or the whole thereof, whichever shall be applicable, together with any income and/or principal of any other trust created hereunder that shall be added thereto, to the then living descendants of PAUL FORRESTER (brother of Grantor, TIMOTHY FORRESTER), per stirpes, and in default of such descendants, to the Grantor's brother, PAUL FORRESTER , if he shall then be living, or, if he also shall then be deceased, to those individuals who would inherit such assets from the Grantor, and in such shares as they would inherit, under the laws of the State of New Jersey then in effect, as if the Grantor had died intestate and such assets had constituted his entire estate.

ARTICLE III

Anything in this Agreement to the contrary notwithstanding:

A. Any trust created hereunder which shall be or become subject to a rule against perpetuities and which, by its terms, shall not have terminated on or before the date which is twenty-one (21) years after the death of the last survivor of the Grantors and those of their descendants who shall be living on the date of execution of this Agreement, shall nevertheless terminate on such former date, and the principal and undistributed income thereof shall thereupon be paid over and distributed free of trust to the then current income beneficiary thereof, or the current income beneficiaries thereof, in equal shares, if more than one.

B. Any beneficiary or remainderman hereunder who shall survive the last to die of the Grantors but shall die within ninety (90) days of such Grantor's death shall be deemed to have predeceased such Grantor.

ARTICLE IV

A. Whenever, pursuant to the terms of this Agreement, the Trustee is directed to hold any property in trust, the Trustee shall hold the same; shall manage, administer, invest and reinvest the principal of the trust; shall collect and receive the income thereof; shall pay any and all expenses incident to the operation of such trust; and shall distribute the net income and principal thereof in the manner set forth.

B. Whenever, pursuant to the terms of this Agreement, the Trustee is given discretion to pay to a beneficiary of any trust created hereunder, or to apply for his or her benefit, such portions of the income of the trust, and/or such sums out of the principal of the trust, as the Trustee shall deem advisable, the Trustee may make such payment or application solely to provide for such beneficiary's health, maintenance, support and education (including undergraduate and

postgraduate education). In the case of income, the Trustee shall add to the principal of the trust any such net income not so expended in any fiscal year of the trust.

C. Whenever, pursuant to the terms of this Agreement, the Trustee is given discretion to pay to a beneficiary of any trust created hereunder, or to apply for his or her benefit, portions of the income and/or principal of the trust, the Trustee may take into consideration, but shall not be required to do so, any other income or property which may be available to such beneficiary, including the support which a spouse or parent does provide, or is obligated to provide.

D. Whenever, pursuant to the terms of this Agreement, the Trustee is given discretion to pay or to apply income or principal of a trust to or for the benefit of a minor, the Trustee may, in his discretion, make such payment or application by expending the same directly for the benefit of such minor, or by paying the amount so to be paid or applied to the parent or legal guardian of such minor, or to the person with whom such minor may reside, or to a person standing in the place of a parent to such minor, or to a Custodian for such minor designated by the Trustee under an applicable Uniform Transfers to Minors Act or Uniform Gifts to Minors Act, or directly to such minor, or otherwise, as the Trustee may, from time to time, deem expedient, and the receipt of such minor or such other payee shall be a full acquittance to the Trustee to the extent of such payments.

The provisions of this subarticle D shall also apply, to the extent applicable, whenever the Trustee is given discretion to pay or apply income or principal of a trust to or for the benefit of a person who, in his judgment, is incapable of adequately managing such income or principal.

E. Whenever, pursuant to the terms of this Agreement, a person is given the discretion, whether in a fiduciary or non-fiduciary capacity, and whether alone or in conjunction with another person, to pay or to apply income and/or principal of any trust created hereunder to himself or herself or for his or her own benefit, and the purposes for which such payment or application can be made are not limited to such person's reasonable needs relating to health, maintenance, support and education, such purposes shall be deemed to be so limited, anything contained in this Agreement to the contrary notwithstanding. If such discretion is held by more than one person, any of whom is not a person to, or on whose behalf, income and/or principal can be so paid or applied, such other person or persons may exercise the discretion granted without reference to the limitation herein set forth. This subarticle shall not apply, however, (i) to a right of withdrawal if the amount which could be withdrawn is limited so that it does not exceed the dollar or percentage limitation contained in Section 2514(e) of the Code or (ii) to the right to withdraw the amounts subject to withdrawal pursuant to paragraphs 2 and/or 5 of subarticle A of Article I hereof.

F. Whenever, pursuant to the terms of this Agreement, a person is given the discretion, whether in a fiduciary or non-fiduciary capacity, and whether alone or in conjunction with another person, to pay or to apply income and/or principal of any trust created hereunder to or for the benefit of any other person, then the purposes for which such payment or application can be made shall be limited to those which do not relieve the person having such discretion of a legal obligation, whether for support or any other purpose, anything contained in this Agreement to the contrary notwithstanding. If such discretion is held by more than one person, any of whom is not

a person whose legal obligation could be relieved by such payment or application, such other person or persons may exercise the discretion granted without reference to the limitation herein set forth.

G. Whenever, pursuant to the terms of this Agreement, there shall be more than one beneficiary of any one trust, and the Trustee is given discretion to utilize income and/or principal of such trust for their benefit, the Trustee may pay or apply such income and/or principal to or for the benefit of such beneficiaries equally or unequally, or to or for the benefit of any of them to the exclusion of others (subject only to such preference, if any, of one beneficiary over any other as may be specifically stated under the terms of such trust), so that utilization of trust income and principal among such beneficiaries according to their respective needs shall take precedence over equal distribution thereof.

ARTICLE V

The interest of any beneficiary or remainderman in any trust created hereunder, either in income or in principal, or in both, shall not be subject to sale, assignment, pledge or transfer in any manner, and such interest shall not be liable or subject in any manner while in the possession of the Trustee for the debts, contracts, obligations, liabilities, engagements, undertakings or torts of any such beneficiary or remainderman. No beneficiary or remainderman shall have the power in any manner to anticipate, charge or encumber his or her interest, either in income or in principal, or in both.

ARTICLE VI

For all purposes under this instrument, whether for the determination of relationships or otherwise:

A. Adopted children of the Grantors shall be considered to have, and shall be given, the same status as natural-born children and adopted children of any other person shall be considered to have, and shall be given, the same status as natural-born children only if the child was a minor when adopted and lived while a minor (either before or after the adoption) as a regular member of the household of the adopting parent. All references in this Agreement to children or descendants of the Grantors or any other person shall include, and the Grantors direct that this Agreement shall be effective notwithstanding the fact that there shall be, any child, children, descendant or descendants of the Grantors or any other person born or adopted after the date of execution hereof.

B. No one claiming to be a natural-born descendant of another person shall be considered as such unless the claimant and the purported parent had established a child-parent relationship prior to the time in question and they had lived together, while the claimant was a minor, as child and parent in the same household. The purpose of this paragraph is to prevent someone from successfully claiming to be a person's child although never acknowledged to be such and it shall apply notwithstanding any provision of law to the contrary.

ARTICLE VII

Any portion of the principal of any trust created hereunder vesting in absolute ownership in a person who is a minor and/or who, in the judgment of the Trustee, is incapable of adequately managing such assets, may be held for the benefit of such person by the Trustee until such minor shall attain majority and/or, in the judgment of the Trustee, such incapacity shall cease to exist. During such period, the Trustee so holding such property shall have all the powers and authority hereinafter granted to him with respect to any trust created hereunder; shall not be required to furnish bond or other security; and may pay or apply to or for the benefit of such person, in any applicable manner set forth in subarticle D of Article IV hereof, such portions, or all, of the property so held, and/or the income earned thereon, as he shall deem to be in the best interest of such person, accumulating as principal any income not so expended in any year. The authority granted to the Trustee hereunder shall be in addition to, and not in lieu of, any other alternative available to him with respect to the administration and distribution of such portion of the principal of the trust, and it shall be construed as a power only, and shall not operate to suspend the absolute ownership of such property, or of such accumulations of income, if any, by such person, nor shall it prevent the absolute vesting thereof in such person.

ARTICLE VIII

As used in this Agreement, the term "split-ownership" shall refer to any policy or policies of insurance, whereunder the right to receive the portion of the death proceeds in excess of the cash value is vested in the Trustee, and the cash value, including the right to receive the portion of the death proceeds equal to the cash value, is vested in any person other than the Trustee, whether such rights shall have arisen by virtue of assignment from the Grantors, or either of them, or any other person or by endorsement to such policy or policies, or otherwise.

ARTICLE IX

A. The Grantors, or either of them, and/or any other person, from time to time, may assign to the Trustee all of the incidents of ownership in any policy or policies of insurance on the Grantors' lives, and/or may transfer to the Trustee a portion thereof on a split-ownership basis, and/or may cause all or part of the proceeds thereof, or other death benefits, to be made payable to the Trustee, pursuant to a revocable or irrevocable designation of beneficiary, or otherwise. Such policies and death benefits, and/or the proceeds or portion of the proceeds thereof transferred to or made payable to the Trustee, shall be subject to all of the terms and conditions of this Agreement in the same manner as if they had been included herein at the time of the making and execution hereof. All references in this trust agreement to insurance policies shall be deemed to include any insurance policy or policies, or death benefits, the incidents of ownership in which shall hereafter be assigned to or procured by the Trustee and/or the portion of any policy or policies which shall hereafter be transferred to or procured by the Trustee on a split-ownership basis and/or the

proceeds of any policy or policies which are hereafter made payable to the Trustee primarily or upon the occurrence of certain contingencies.

B. The Trustee, in his discretion, may accept such an assignment of the incidents of ownership of, and/or may on his own initiative procure, any policy or policies of insurance on the lives of the Grantors, in such amount or amounts, and of such type or types (whether on a split-ownership basis or otherwise), and issued by such insurance company or companies, as the Trustee, in his discretion, shall deem advisable.

C. In addition to the above mentioned policies of life insurance, the Trustee, at any time and from time to time, shall receive and accept from the Grantors, or either of them, and/or the executors or administrators of either Grantor's estate and/or the Trustee of any trust created by the Grantors, or either of them, by deed or Will; and may receive and accept from any other person or persons, including the fiduciary of any other estate or trust, any additions to the trust, in the form of cash, stock, securities or other property, real, personal or mixed, provided that such additions are acceptable to the Trustee, including any contributions toward the payment of premiums on policies of life insurance owned by the Trustee. Unless otherwise directed in the instrument governing the transfer of such additions to the Trustee, the same shall be administered as part of said trust and shall be subject to all the terms and conditions of this trust agreement.

D. Any policy or policies of life insurance, or portion thereof, owned by the Trustee, whether originally procured by the Trustee or assigned to him, may be held and maintained, notwithstanding that such policy or policies may be considered unproductive assets.

ARTICLE X

A. The Trustee, in his discretion, may apply all or any part of the net income and/or principal of the trust, including any sums available to him pursuant to the authority contained in Article XI, toward the payment of premiums on any life insurance policy or policies as the same accrue.

B. The Trustee shall have no obligation whatsoever with respect to the payment of premiums, dues, assessments or other charges in connection with any policies of life insurance, or portion thereof, owned by him, and nothing contained in this trust agreement shall be construed as a requirement that the Trustee shall procure, retain or maintain any policy of life insurance, or portion thereof, or that he shall solicit contributions toward the payment of premiums thereon, it being the intention of the Grantors and the understanding of the parties hereto that the Trustee shall have the discretion to permit any or all of such policies of life insurance to lapse, or to surrender for cash any or all of those policies the cash value of which is owned by the Trustee, and that he shall not incur any liability to anyone by reason of the exercise of such discretion.

ARTICLE XI

A. With respect to any life insurance policy or policies owned in full by the Trustee, the Trustee, in his discretion, may exercise any and all of the rights, privileges, benefits and options appertaining thereto, including, without limitation, the following rights, privileges, benefits and options:

1. To receive or withdraw at any time or times, in cash, all dividends or shares of surplus allotted or set apart to any of said policies, and the surrender value of all additions to any of said policies purchased by such dividends or shares of surplus.

2. To obtain and secure from the insurance company issuing any such policy of insurance, such advances or loans on account of any of said policies as may be available from time to time.

3. To surrender any of said policies for the cash value thereof or for extended insurance, or to elect to take paid-up insurance with respect to any of said policies.

4. To pledge any of said policies as security for the repayment of loans made to the trust.

5. To revoke or to change the beneficiary of any of said policies in order to comply with the provisions of this trust agreement.

6. To convert or exchange any policy or policies into another or other policies, whether or not from the same insurer.

7. To elect or to alter any method of settlement of the proceeds of any of said policies, and to make successive changes thereof.

8. To assign all or part of any of said policies in connection with the administration of this trust, or in the exercise of the powers granted to him hereunder or vested in him by operation of law.

9. If required by any insurance company issuing any such policies, to discharge said company from any and all liability for any amounts paid to the Trustee, or in accordance with his direction, and to agree that no such insurance company shall have any obligation whatsoever to see to the application of any such amounts so paid by it, and to agree further that any such insurance company shall be fully protected in taking or permitting any action in reliance on any instrument or document executed by the Trustee in his capacity as Trustee, and that such insurance company shall not incur any liability for so doing.

10. To enter into a viatical settlement of any of said policies, whether or not the insured or insureds thereunder is or are terminally ill or chronically ill.

B. With respect to any insurance policy or policies owned in part by the Trustee on a split-ownership basis, the Trustee, in his discretion, may exercise any and all of those rights, privileges, benefits and options appertaining thereto (including, without limitation, those specifically enumerated in subarticle A hereof), as shall be applicable to the portion of such policy or policies owned by the Trustee, and the remainder of such rights, privileges, benefits and options shall be exercisable by the owner of the cash value portion thereof.

ARTICLE XII

With respect to any life insurance policy or policies not owned by the Trustee, but the proceeds of which are made payable to the Trustee, the Grantors, or the owner thereof if other than the Grantors, shall have the sole right to exercise any and all of the rights, benefits, elections, privileges and options of whatsoever kind appertaining to such insurance policies, without in any way first securing the consent of the Trustee thereto. With respect to any such insurance policies, and without limiting the generality of the foregoing, the Grantors or other owner shall have the right to borrow upon any such policy or policies and pledge the same as security for the repayment of loans; to surrender any such policy or policies for the cash surrender value or for extended insurance; to assign all or part of any such policy or policies; to change the beneficiary thereunder and to make successive changes thereof (unless such right shall have been released in writing); to convert any such policy or policies into another or other policies; to receive all dividends upon said policies, and to direct the disposition of such dividends, and, from time to time, to change such directions; and to collect, and retain free of this trust, the proceeds of any policy or policies which mature during the lifetime of the insured thereunder. The Trustee, however, is authorized and empowered, in his discretion, to exercise any and all rights granted to him as beneficiary of any such life insurance policies.

ARTICLE XIII

A. The Trustee shall have, and is hereby given, full power and authority to make all necessary proofs of death under any life insurance policies and to execute and deliver any and all receipts for the proceeds thereof. Except at his own option, the Trustee shall not enter or maintain any litigation to enforce payment of any life insurance policy or policies until he shall have been indemnified to his satisfaction against all expenses and liabilities to which he may, in his judgment, be subjected, or in which he may become involved, by such action on his part. The Trustee, however, may utilize the proceeds of any life insurance policy to meet expenses incurred in connection with enforcing payment of the proceeds of any other policy.

B. The Trustee is authorized to compromise and adjust claims arising out of any insurance policy or policies upon such terms and conditions as he may deem advisable, and the decision of the Trustee in that regard shall be binding and conclusive upon all persons interested therein.

C. The Trustee shall be responsible for the proceeds of the life insurance policies only when, as and if collected, or paid to him, and he shall have no responsibility or liability whatsoever to anyone if for any reason any policy or policies shall be uncollectible in whole or in part.

ARTICLE XIV

In the administration of the trusts created hereunder, the Trustee shall have the following powers, in addition to all powers vested in him by law, which in each and every instance may be exercisable by him at such times (if at all), in such manner, and in accordance with such criteria, as he, in his discretion, shall deem appropriate:

A. To retain any investment and property which may be received by him for such length of time as to him may seem proper, without liability by reason of such retention.

B. To make such investments and reinvestments of principal and accumulated income as he may consider proper, so long as the requirements (other than diversification) of any applicable Prudent Investor Act (or equivalent) are satisfied. The Trustee may make his decision regarding diversification based upon such criteria as he, in his sole discretion, shall deem advisable, including, but not limited to, tax considerations, and the Trustee shall incur no liability of any kind as a result of his decision whether or not to diversify. Any such investments may be held in bearer form, or in the name of the Trustee, or in the name of a nominee or nominees.

C. To retain cash or the proceeds from the sale of any assets until such time or times as he deems it appropriate to invest such funds.

D. With respect to any securities forming part of any trust created hereunder: To exercise all voting rights, either in person or by proxy; to enter or refuse to enter into any dissolution, liquidation, consolidation, recapitalization, reorganization, merger or other change in capital structure, and in connection therewith, to make exchanges of securities and to enter into agreements on such terms and conditions as he may deem advisable; and to enter into voting trusts and agreements with other stockholders, and other holders of securities, and the corporations which shall have issued such stock or securities, or any one or more of such persons, for such purposes and for such period of time (whether or not the same extends beyond the actual or probable duration of the trusts created hereunder), and upon such terms and conditions as he shall deem advisable.

E. To enter into any lease or leases, without application to any court, of any or all real or personal property held hereunder, for such period (whether or not the same extends beyond the actual or probable duration of the trusts created hereunder), and upon such terms and conditions as he shall deem advisable.

F. To borrow money or property, either upon the security of any or all of the assets of the trusts created hereunder, or without security or otherwise, upon such terms and conditions and for such purposes in connection with the administration of the trusts as to him shall seem proper.

G. To grant, bargain, sell, exchange, mortgage, grant options to buy, or otherwise dispose of any or all real or personal property, or both, at any time held hereunder, either at public or private sale, for cash or on credit, or partly for cash and partly on credit, upon such terms and conditions, in such manner and for such purposes, and either in whole or in part, as he may deem proper; and to make, execute, acknowledge and deliver good and sufficient instruments for that purpose. No purchaser, upon any sale or other disposition, shall be bound to see to the application of the monies or property arising therefrom or to inquire into the validity, expediency or propriety of any such sale or disposition.

H. To maintain and insure all real and personal property, and to develop, repair, remodel, alter, build on, improve, rebuild or reconstruct any or all real property, either by building, constructing or erecting new buildings or by repairing, remodeling, altering, rebuilding or reconstructing existing buildings, for such purposes, to any and every extent, and in such manner as he may deem proper, and to borrow monies in connection therewith upon the security of any such real property and/or of any or all other assets of the trusts.

I. To foreclose any mortgage or mortgages, and to take title to the property or any part thereof affected by such mortgage or, in his discretion, to accept a conveyance of any property in lieu of foreclosure, and to collect the rents and income therefrom, either through a receiver or directly, and to protect such property against foreclosure under any mortgage that shall be a prior lien on said property, or to redeem from foreclosure under any such mortgages, as well as to protect such property against nonpayment of taxes, assessments or other liens.

J. To adjust, compromise or arbitrate claims or demands of, or against, the trusts created hereunder, whether such claims are due or shall become due in the future, including without limitation any overpayment or refund claim, or any deficiency, additional assessment or other liability, relating to any Federal, state, county, municipal or other tax, irrespective of the nature thereof.

K. To join with any other person, persons, nominee or nominees in the incorporation of any and all corporations, for such purposes, for such periods of time, and upon such terms and conditions respecting the organization, operation and maintenance thereof (including not by way of limitation, the adoption of by-laws, rules and regulations) as he shall deem advisable, and to pay for the stock of any such corporation with any or all of the assets of the trusts created hereunder, and to contribute to the capital of such corporation, or to lend to it, any or all of the assets of the trusts created hereunder.

L. To join with any other person, persons, nominee or nominees in any partnership, whether general or limited, or in any joint venture, limited liability company or other business association, for such purposes, for such period of time, and upon such terms and conditions, as he shall deem advisable, and to contribute to the capital of any such partnership, joint venture, limited liability company or other business association, or to lend to it, any or all of the assets of the trusts created hereunder.

M. To engage in and operate any business for such purposes, in such manner and for such periods of time as he shall deem advisable, and to apply any and all assets of the trusts created hereunder to the conduct of any such business.

N. To grant options and execute option agreements with respect to the sale or lease of property held by him hereunder, without obligation to repudiate the same in favor of better offers.

O. To assign one or more shares of the stock of any corporation which may at any time be held by him hereunder to himself, or to a nominee or nominees, for the purposes of qualifying such person to act as a director of the corporation, the stock of which is so assigned.

P. To engage such attorneys, investment counsel, clerks, employees, agents, accountants, brokers, officers, architects, contractors, subcontractors, surveyors, and such other persons, firms or corporations, as he shall deem necessary or helpful in connection with the administration of the trusts created hereunder, at such wages, fees, compensation, remuneration, commission rates, prices, consideration or otherwise, as he shall deem proper.

Q. To set up reasonable reserves for depreciation and/or depletion.

R. To execute and deliver all documents, contracts and instruments necessary or advisable in connection with the administration of the trusts created hereunder.

S. To make and retain joint investments and investments of undivided interests in any property, real or personal, whether or not all the property be held hereunder, and whether or not the provisions under which such other property is held are similar, and to administer, or to permit to be administered, all or any part of such property in one or more consolidated funds in which the same shall have joint or undivided interests without any physical division of the investments, but such consolidation of investments shall not operate to merge the legal or beneficial interests in such separate trusts, parts or shares; and to hold and administer any property in a common trust fund administered by any acting corporate Trustee.

T. To purchase any improved or unimproved real property, at public or private sale, for cash or on credit, or partly for cash and partly on credit, and/or subject to any existing mortgage or mortgages, for such purposes and upon such terms and conditions as he shall deem advisable.

U. To mortgage or pledge any or all real or personal property at any time held hereunder, and to enter into construction mortgages or purchase money mortgages respecting any and all real property, for such purposes and upon such terms and conditions as he shall deem advisable.

V. To continue to hold and administer the interest in any business of which the Grantors, or either of them, may be the owner, whether such ownership be as an individual, partner, joint venturer, member or stockholder, or otherwise, or to engage in and operate any business, for such purposes, in such manner, and for such period of time, as he shall deem proper, and to apply to the conduct of any such business any or all of the assets of the trusts created hereunder.

W. To dissolve or to participate in the dissolution of any partnership, joint venture or limited liability company in which the Grantors, or either of them, shall have an interest or in which the Trustee, in the administration of the trusts created hereunder, shall hold an interest, or of which he shall become a member, whether such dissolution be by agreement, operation of law, or by the judgment of any court, and to enter into any agreements with respect thereto, upon such terms and conditions as he shall deem proper.

X. Without in any way limiting the generality of the foregoing powers, to sell any interest in any business which may come into his hands as part of any trust created hereunder, at such time or times, for such amount or amounts, for cash or on credit, or partly for cash and partly on credit, and upon such terms and conditions, as he shall deem proper.

Y. To lend money to, and to purchase as an investment for the trusts created hereunder from, the executor or administrator of either Grantor's estate, and/or the Trustee of any trust created by the Grantors, or either of them, by deed or Will, any cash, stock, securities or other property, real, personal or mixed, constituting part of either Grantor's estate, or constituting part of any such trust, at such prices, and upon such terms and conditions, as the Trustee, in his discretion, shall deem appropriate.

Z. To allocate receipts and disbursements of any trust created hereunder between income and principal thereof in such a manner as the Trustee shall deem advisable, so long as the requirements of any applicable Principal and Income Act or equivalent are satisfied.

ARTICLE XV

In the administration of the trusts created hereunder, the Grantors direct that:

A. In any case in which the Trustee is required to divide any trust created hereunder, or any portion thereof, into parts or shares, and/or is required to distribute the same, or any portion thereof, or any part or share into which the same shall have been divided, either to a single distributee, or to two (2) or more distributees, he, in his discretion, may make such partition, division or distribution wholly in kind or in money, or partly in kind or in money, and may distribute different property interests to the several distributees, and the choice and relative value of the property or money so distributed, partitioned or divided shall, in the absence of fraud or bad faith, be binding and conclusive on everyone interested therein, and he shall in no event be accountable for any error of judgment or discretion in exercising the power and authority herein conferred.

B. The Trustee shall not be accountable for any loss which may occur to the trusts herein created as a result of the exercise of, or the refusal to exercise any of the powers or discretions vested in him, so long as such exercise or refusal to exercise is made in good faith.

C. No loss whatsoever resulting to the trusts created hereunder, through the ownership or operation of any business by the Trustee, or as a result of the building, construction or erection

by him of any building, improvements or structures, whether the same be carried on by a corporation, partnership, proprietorship, joint venture, limited liability company or otherwise, shall be chargeable against the Trustee personally.

D. The Trustee may consult with counsel and shall be fully protected in any course of conduct taken in good faith in accordance with the advice of counsel.

E. The Trustee shall not be disqualified from acting hereunder or from exercising any power granted herein because he may hold an interest in property in which any trust created hereunder shall also hold an interest, or be a creditor of any such trust, or be an employee or agent of, or the holder of an interest in, any business, sole proprietorship, partnership, joint venture, limited liability company, corporation, or otherwise, in which any trust created hereunder may hold an interest, or by reason of the fact that he may also be serving as executor of either Grantor's estate or the Trustee of any trust established under either Grantor's Last Will and Testament.

F. If pursuant to any provisions of this Agreement a trust would be established to which any part of the Grantor's GST exemption (provided for in Section 2631(a) of the Code) would be allocated (hereinafter referred to as a "GST Trust"), and if after such allocation the inclusion ratio of such trust for generation skipping transfer tax purposes would not be zero, then the Trustee may, but shall not be required to, establish two separate trusts, each to be administered in accordance with the provisions applicable to the GST Trust, with one trust having an inclusion ratio of one and the other trust having an inclusion ratio of zero. Assets that would have constituted the GST Trust shall be allocated between the two separate trusts as necessary to establish the prescribed inclusion ratios, and shall be valued for such purpose as of the date of allocation.

In addition, if pursuant to any provisions of this Agreement any portion of any trust created hereunder is required to be added to the principal of any other trust created hereunder (such latter trust being hereinafter referred to as the "recipient trust") and if the inclusion ratios (for generation skipping transfer tax purposes) of such trusts are not identical, then the Trustee, in lieu of making such addition, may, but shall not be required to, hold such portion in a separate trust, to be administered in accordance with the provisions applicable to the recipient trust.

In further addition, if pursuant to any provision of this Agreement a trust has been established that has an inclusion ratio of greater than zero and less than one, then the Trustees may, but shall not be required to, divide such trust into two separate trusts, provided that such division meets the definition of a "qualified severance" contained in Section 2642(a)(3) of the Code or Regulations promulgated pursuant thereto.

G. The Trustee may be employed and/or engaged in any capacity by, or render services to, any trust created hereunder, and/or may be employed and/or engaged by any corporation, proprietorship, joint venture, limited liability company, sole proprietorship or other entity in which any such trust may have an interest, and shall be entitled to receive and to retain (in addition to his remuneration for his services as Trustee herein) such compensation, perquisites and reimbursement of expenses in connection with such services, in such manner and upon such terms and conditions, as he, in his discretion, shall deem proper.

H. The Trustee may disclaim all or part of any power or discretion held by the Trustee in a fiduciary capacity, and may determine whether or not such disclaimer shall be binding upon, and shall constitute a disclaimer by, any or all successor or substitute Trustees hereunder, without having to obtain court authorization for such disclaimer or determination.

I. The Trustee may delegate discretion relating to the investment and management of trust assets to an agent (including an entity affiliated with any trust institution serving as a Trustee) and may do so without liability for the decisions, actions, omissions, neglect, misconduct or default of such agent, provided that such agent was selected and retained with reasonable care, skill and caution. The Trustee may pay such agent reasonable compensation for his, her or its services. Notwithstanding any statute or rule of law to the contrary, such compensation (other than of a fiduciary serving hereunder) shall not reduce any statutory commissions or other fees payable to the Trustee.

ARTICLE XVI

Except with respect to matters agreed to be undertaken by any life insurance company or companies which may issue any policy or policies which may become subject to this Agreement, the Grantors hereby relieve such company or companies from any responsibility to see to the execution and performance of the terms and conditions hereof.

ARTICLE XVII

A. If PAUL FORRESTER shall cease to serve as Trustee, for any reason whatsoever, or any successor Trustee(s) shall fail or cease to serve, for any reason whatsoever, while one or both of the Grantors shall be living, then the Grantors (or either of them, if the other Grantor is either deceased or incapable of acting) shall appoint any individual, individuals (other than the Grantors or either of them) and/or trust institution of their, his or her choice as successor(s), and in default of such appointment, then BANK shall serve as successor Trustee. Any successor Trustee so appointed by the Grantors, or either of them, may not be related or subordinate [within the meaning of Section 672(c) of the Code] to the Grantors, or either of them.

B. Upon the death of the last to die of the Grantors, if no trust institution shall then be serving as a Trustee, then BANK shall serve as a Co-Trustee, together with the then serving individual Trustee(s).

C. If BANK shall decline to accept appointment as a successor Trustee, for any reason whatsoever, then the Grantor's eldest living adult descendant shall appoint any trust institution of his or her choice as its successor, and in default of such adult descendant, then the individual Trustee shall appoint such a successor.

If at any time there shall be no Trustee of a trust created hereunder and no successor Trustee shall have been appointed as otherwise set forth in this Article XVII, then the eldest living

income beneficiary of the trust, by an instrument in writing, shall appoint any trust institution of his or her choice as successor Trustee of such trust, or, in the event that such beneficiary shall be incapacitated or a minor, the guardian(s) or personal representative(s) of such beneficiary shall make such appointment.

D. After the death of the last to die of the Grantors, each adult beneficiary, with respect to the trust created hereunder for his or her own benefit, shall have the right, at any time and from time to time, to remove any individual Trustee of such trust. In addition, such beneficiary shall have the right, from time to time, but in no event more than once during any three (3) period, to remove any then acting trust institution as Trustee of such trust and appoint any trust institution of his or her choice as successor.

E. Any trust institution being appointed pursuant to subarticles C and/or D hereof shall, at the time of appointment, (i) be administering trust assets valued at no less than two hundred fifty million ($250,000,000) dollars and (ii) may not be related or subordinate [within the meaning of Section 672(c) of the Code] to the person making such appointment.

F. The foregoing rights may be exercised by an instrument in writing, executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey, and delivered to the then acting Trustee, either in person or by pre-paid, registered or certified mail, which instrument shall advise such Trustee of the appointed successor, if any, and shall state the effective date of removal, to be not less than thirty (30) days and not more than sixty (60) days after delivery. On such effective date, or as soon thereafter as may be reasonably feasible, the Trustee being removed shall then turn over to the remaining Co-Trustee or the appointed successor, if any, all funds then held by such Trustee in the trust or trusts involved, in cash or in kind or partly in cash and partly in kind, in the discretion of the Trustee being removed, reserving therefrom such amount as such Trustee shall deem reasonably necessary to cover the expenses of such removal, including any applicable termination commissions. The Trustee being removed shall have the right to demand and receive, prior to releasing any funds to the remaining Co-Trustee or appointed successor, if any, written approval of such Trustee's statements or final accounting by the then living adult income by the then living adult income beneficiary or beneficiaries, whichever shall be applicable, which shall have the same force and effect as an approved accounting pursuant to Article XX hereof. In lieu thereof, such Trustee may submit said final accounting to a court for settlement, and in either event may postpone delivery of funds to the remaining Co-Trustee or appointed successor, if any, until such statements or account, judicial or otherwise, shall have been approved.

G. BANK shall be entitled to receive compensation for its services in any fiduciary capacity in accordance with its schedule of rates, published from time to time and in effect at the time the compensation is paid, including minimum fees and additional compensation for special investments, closely-held business interests and certain other services. The Grantors recognize that such compensation may exceed the compensation for such services in effect from time to time under applicable law.

H. The compensation to any individual Trustee for services rendered hereunder shall be as set forth in a separate agreement among the Grantors and such Trustee, as the same shall be

amended from time to time, or, in the absence of such agreement, as provided under applicable law.

I. The compensation to any trust institution (other than BANK) for services rendered as Trustee hereunder shall be as set forth in a separate agreement between such Trustee and the Grantors or person appointing such Trustee, as the same shall be amended from time to time, or, in the absence of such agreement, in accordance with such Trustee's regularly published schedule of fees in effect from time to time.

J. Any Trustee of any trust created hereunder shall have the right to resign at any time by an instrument in writing, executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey, and delivered, either in person or by prepaid, registered or certified mail, to the Grantors if both or either of them shall then be living, or, if both of them shall then be deceased, to the Co-Trustee(s), or, if none, to the eldest beneficiary then entitled to receive income distributions from the trust [or in the event that such beneficiary is incapacitated or is a minor, to such beneficiary and the guardian(s) or personal representative(s) of such beneficiary]. Such resignation shall be effective upon delivery of the aforesaid written instrument of resignation to the then serving Co-Trustee(s), or, if none, upon the qualification of the resigning Trustee's successor(s), but in no event earlier than thirty (30) days after delivery of the aforesaid written instrument of resignation to the beneficiary or his or her guardian(s) or personal representative(s), whichever shall be applicable.

K. On the effective date of the resignation of a Trustee pursuant to subarticle J hereof, or as soon thereafter as may be reasonably feasible, the resigning Trustee shall then turn over to the remaining Trustee(s) and/or appointed successor(s), all funds then held by the resigning Trustee in the trust or trusts involved, in cash or in kind or partly in cash and partly in kind, in the discretion of the resigning Trustee, reserving therefrom such amount as such Trustee shall deem reasonably necessary to cover the expenses of such resignation, including any applicable termination commissions. The resigning Trustee shall have the right to demand and receive, prior to releasing any funds to the remaining Trustee(s) and/or appointed successor(s), written approval of the statements or final accounting of the resigning Trustee by the eldest then living adult income beneficiary, which shall have the same force and effect of an approved accounting pursuant to Article XXI hereof. In lieu thereof, the resigning Trustee may submit said final accounting to a court for settlement, and in either event may postpone delivery of funds to the remaining Trustee(s) and/or appointed successor(s) until such statements or accounting, judicial or otherwise, shall have been approved. The resigning Trustee's successor(s) shall be as set forth in, or appointed pursuant to, subarticles A or C hereof, whichever shall be applicable.

L. For purposes of subarticle K hereof, any individual Trustee shall be deemed to have resigned when it is determined that he or she is under a medical infirmity or physical incapacity (an "Incapacity"), which shall be deemed to exist when the same has been declared by a court of competent jurisdiction or when a conservator or guardian for such Trustee has been appointed based upon such Incapacity. Furthermore, such Incapacity shall be deemed to exist upon presentation to the then serving Co-Trustee(s), or, if none, to the next succeeding successor Trustee(s), of a certificate executed by a licensed physician which states that (i) he or she is the attending physician for the Trustee; (ii) that the Trustee is incapable of caring for himself or

herself; and (iii) that the Trustee is physically or mentally incapable of managing his or her financial affairs and attending properly to the normal duties and responsibilities required for the prudent management and protection of property. The effective date of such Incapacity shall be the date of the order or decree adjudicating the Incapacity, the date of the order or decree appointing the guardian or conservator, or the date of the certificate of such attending physician described above, whichever shall first occur.

For purposes of determining a serving Trustee's Incapacity, such Trustee (hereinafter the "Consenting" Trustee) hereby consents to the disclosure to the then serving Co-Trustee(s), or, if none, to the next succeeding successor Trustee(s) [hereinafter the "Requesting" Trustee] of all of the Protected Health Information ("PHI") and medical records of the Consenting Trustee and the Requesting Trustee shall be treated as the Consenting Trustee would be with regard to the use and dissemination of his or her PHI and medical records, including, but not limited to, any written opinion relating to the Consenting Trustee's Incapacity. This authority applies to any information governed by the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), 42 USC 1320d and 45 CFR 160-164. The Consenting Trustee hereby intends that the Requesting Trustee be treated as the personal representative of the Consenting Trustee for all purposes, as provided in 45 CFR 164.502(g)(2), relating to any inquiry relating to his or her PHI, and the Consenting Trustee therefore specifically authorize the Requesting Trustee to request, obtain, receive and inspect any and all information bearing upon the Consenting Trustee's health, including PHI relevant to the determination of the Consenting Trustee's ability to perform his or her duties as a Trustee hereunder, to sign whatever authorizations for release of information required by providers or others, and to waive any rights the Consenting Trustee may have for breach of confidentiality for the release of such information to the Requesting Trustee. The authority given to the Requesting Trustee shall supersede any prior agreement that the Consenting Trustee may have made with his or her health care providers to restrict access to, or disclosure of, his or her PHI.

In addition, the Consenting Trustee specifically authorizes any physician, dentist, health care provider, any insurance company and the Medical Information Bureau Inc., or any other health care organization that has provided treatment or services to the Consenting Trustee to give, disclose and release to the Requesting Trustee all of the Consenting Trustee's PHI and medical records regarding any past, present or future medical or mental health condition, including, but not limited to, all information relating to the diagnosis and treatment of HIV/AIDS, sexually transmitted diseases, mental illness and drug or alcohol abuse.

The foregoing authority given to the Requesting Trustee shall apply to a successor Trustee even though he or she has not yet assumed his or her duties and shall have no expiration date. Said authority shall expire only in the event that the Consenting Trustee shall permanently cease to serve as a Trustee hereunder.

The initial Trustee hereby specifically accepts the provisions of this subarticle L. Each successor Trustee, in accepting his or her duties hereunder, shall execute an instrument in writing specifically accepting the provisions of this subarticle L.

ARTICLE XVIII

With respect to any trust created hereunder which shall have a single current income beneficiary, if at any time after the death of the last to die of the Grantors, and after taking into account the age, maturity and competence of such beneficiary, the Trustee (other than such beneficiary) shall determine it to be in the best interest of such beneficiary to terminate such trust and distribute to him or her, outright and free of trust, the entire remaining principal thereof, such Trustee may do so, whereupon such trust shall terminate and the rights of any other beneficiaries or remainderman in such trust shall cease. In making such decision, (i) such Trustee shall take into account the relationship of commissions and expenses to the value of the principal of such trust, and if he shall decide that the value of the trust does not warrant the incurring of such commissions and expenses said decision shall be considered a proper reason for termination pursuant to this Article; and (ii) such Trustee shall take into account the then existing and anticipated future status of the Federal estate and generation-skipping transfer taxes, and any applicable State estate, generation-skipping transfer and inheritance taxes, and if he shall conclude that the existence of any such tax probably was, but probably is no longer, a principal reason for the existence of the trust, said conclusion also shall be considered a proper reason for termination pursuant to this Article.

ARTICLE XIX

Any trust created hereunder which shall be substantially identical to any other trust created hereunder, or to a trust created under the Last Will and Testament of either Grantor or to any trust created by the Grantors, or either of them, during their lifetimes may, in the discretion of the Trustee, be merged into such other trust, or he may accept a merger of such other trust into the substantially identical trust created hereunder, if the Trustee shall determine the same advisable to facilitate the administration thereof, to reduce the expense of operation thereof, or any other reason he shall deem to be in the best interests of the beneficiaries thereof.

ARTICLE XX

The Trustee, upon request, but not more often than annually, shall provide to each beneficiary of any trust administered by the Trustee statements setting forth the receipts and disbursements of principal and income and the assets on hand at the commencement and expiration of the period covered by such statements. The written approval of such statements by the then living adult income beneficiary or beneficiaries, whichever shall be applicable, shall be final and binding upon all who are then or may thereafter become entitled to any part of the assets, as to all matters and transactions shown on the statements. Anything herein contained shall not preclude the Trustee, from time to time, from rendering an accounting to the parties interested therein or from submitting an accounting to a court for settlement, as he shall deem advisable.

ARTICLE XXI

A. Wherever in this Agreement the word "Trustee" is used, it shall be construed to include the Trustee and his successor or successors in office, and all references to such Trustee shall be construed in the singular or plural, and in such gender, as the sense and circumstances require.

B. Wherever in this Agreement the words "descendant" and "descendants" are used, they shall be construed to be synonymous with the word "issue".

C. Wherever in this Agreement the words "per stirpes" are used with reference to the descendants of any individual, they shall be construed to mean that the determination of such descendants begins with the children of such individual and that no distribution at any generational level shall be per capita.

D. Wherever in this Agreement the words "sibling" and "siblings" are used, they shall be construed to mean "brother(s) and sister(s)" (of the whole blood or of the half blood, but only if the Grantors or a descendant of the Grantors shall be the natural or adoptive parent of the latter), but not "step-brother(s) and step-sister(s)", unless the same shall have been adopted by the Grantors or a descendant of the Grantors.

E. All references made, and all nouns and pronouns used herein, shall be construed in the singular or plural, and in such gender, as the sense and circumstances require.

F. Wherever in this Agreement the word "Code" is used, it shall be construed to mean the Internal Revenue Code of 1986, as amended. Any reference to a section of the Code shall be deemed to refer to such section or to any section of similar import.

G. Wherever in this Agreement the words “trust institution” are used, they shall be construed to mean a corporation or other organization authorized to act as Trustee of both lifetime and testamentary trusts.

ARTICLE XXII

A. The Trustee hereby expressly undertakes and accepts the trusts created hereby and agrees to carry out the provisions of this Agreement. Any successor Trustee shall qualify by executing an instrument in writing, duly acknowledged, by which he expressly agrees to assume the trusts and to carry out the provisions hereof.

B. The individual Trustee initially named herein hereby waives all rights to all compensation for his services rendered hereunder prior to the death of the last to die of the Grantors, including commissions provided for by law.

ARTICLE XXIII

The Grantors agree and acknowledge that any assignment of any policy to the Trustee shall, without any further action on the Grantors' part, automatically be deemed to include an assignment to the Trustee of any replacements, renewals, increases in amount thereof or supplements thereto.

ARTICLE XXIV

No bond or other security shall be required of the Trustee, or any successor Trustee, in any jurisdiction in which they may be called upon to act.

ARTICLE XXV

Except as otherwise specifically provided herein, this Agreement, and the trusts created hereunder, may not be terminated, revoked, altered, amended or changed, in any respect whatsoever, by the Grantors, by either of them or by any other person.

ARTICLE XXVI

This Agreement shall be governed by the substantive law of the State of New Jersey; provided, however, that the Trustee may, at any time and from time to time, in his discretion, (i) remove (or decline to remove) all or part of the assets of any trust created hereunder, and/or the situs of administration of such trust, from one jurisdiction to another and/or (ii) elect (or decline to elect) that the substantive laws of such other jurisdiction shall thereafter govern. Any decision of the Trustee with respect to the foregoing shall be binding and conclusive on everyone interested therein.

ARTICLE XXVII

To the extent permitted by law, if any beneficiary or remainderman under this Agreement shall, directly or indirectly, by legal proceedings or otherwise, challenge or contest this Agreement or any of its provisions, or shall attempt in any way to oppose or set aside this Agreement or impair or invalidate any of the provisions the Grantors have made in it, any distribution to, or other provision for, that beneficiary or remainderman under this Agreement shall be revoked and the property covered thereby shall be disposed of in the same manner as if the contesting beneficiary or remainderman, his or her spouse and all of his or her descendants had predeceased both of the Grantors.

IN WITNESS WHEREOF, the Grantors and the Trustee have hereunto set their hands and seals the day and year first above written.

Signed, Sealed and Delivered in the
Presence of:

_____ _____(L.S.)
TIMOTHY FORRESTER, Grantor

_____ _____(L.S.)
SHIRLEY FORRESTER, Grantor

_____ _____(L.S.)
PAUL FORRESTER , Trustee

SCHEDULE "A"

$1.00

STATE OF NEW JERSEY)

ss:

COUNTY OF)

BE IT REMEMBERED, that on this day of , 2013, before me, the subscriber, a Notary Public of New Jersey, personally appeared TIMOTHY FORRESTER and SHIRLEY FORRESTER, who, I am satisfied, are the Grantors mentioned in the within instrument, and thereupon each of them acknowledged that he or she signed, sealed and delivered the same as his or her voluntary act and deed, for the uses and purposes therein expressed.

_____

STATE OF NEW JERSEY)

ss:

COUNTY OF)

BE IT REMEMBERED, that on this day of , 2013, before me, the subscriber, a Notary Public of New Jersey, personally appeared PAUL FORRESTER , who, I am satisfied, is the Trustee mentioned in the within instrument, and thereupon he acknowledged that he signed, sealed and delivered the same as his voluntary act and deed, for the uses and purposes therein expressed.

_____

INSTRUCTIONS FOR TRUSTEE OF IRREVOCABLE INSURANCE TRUST

1. Apply for Tax Identification number by signing application (IRS Form SS-4).

2. Establish checking account in the name of ____(Trustee)____, as Trustee U/A dated (Date of Trust Agreement).

3. After receipt of gift from Grantor(s), deposit into Trustee checking account and send 30 day notice letter to beneficiaries. (See Sample Notice Letter on next page.)

4. After 30 days from date of letter, pay premium on insurance policy by sending check to the insurance company.

* Provided by Shoobe & Bakarich, P.C., Paramus, New Jersey

To: LILLY FORRESTER
WOODY FORRESTER

Dated: _____

Pursuant to Article I of the trust agreement dated _____ and known as the "Timothy and Shirley Forrester Family Trust," whereunder we are the Grantors and Paul Forrester is the Trustee, we are notifying you (i) that on _____, a transfer or transfers having a total value of $_____ was/were made to the trust either in cash or in property, or by payment of a premium or premiums on a policy or policies of insurance owned by the trust, which premium payments are deemed to be transfers to the trust, and (ii) that you have the right, upon written request to the Trustee, to receive payment out of the principal of the trust of such amount as you may wish, up to and including the full amount of your proportionate share (as defined in the trust agreement) of the transfer(s). In the future, additional transfers may be made to the trust and you will have a similar right of withdrawal with respect to each transfer.

Please acknowledge receipt of this notice by signing and dating the enclosed copy and returning it to us.

Sincerely,

_____
TIMOTHY FORRESTER

_____
SHIRLEY FORRESTER

I hereby acknowledge receipt of this notice.

Dated: _____

_____
Beneficiary (or parent of minor beneficiary)

DOCUMENTS AND DEFINITIONS

WILL or LAST WILL AND TESTAMENT. The document by which a person disposes of all property standing in his or her own name at death. A will does not dispose of jointly-held property unless the person is the last surviving joint tenant.

INTESTACY. Dying without a will or with an incomplete will that does not effectively dispose of all of a person's property standing in his or her own name at death. In such a case, New Jersey law determines how a decedent's property is divided among his or her heirs or next of kin, based on how they are related to the decedent.

TRUST. An arrangement between the creator of the trust (grantor or settlor) and another person (trustee), in which the grantor directs the trustee to hold, administer and distribute the property transferred to the trust for the benefit of another person (the beneficiary of the trust). A person may create a trust during lifetime (inter vivos or living trust) or at death in his or her will (testamentary trust). A trust created during lifetime may be either revocable or irrevocable.

POWER OF ATTORNEY. A document in which one person (the principal) authorizes another person (the agent or attorney-in-fact) to act on behalf of the principal with regard to the principal's property. A durable power of attorney is one that is not revoked if the principal becomes disabled or incompetent.

LIVING WILL or HEALTH CARE DIRECTIVE. A document in which a person sets forth his or her wishes concerning medical treatment, particularly the providing or withholding of life-sustaining procedures, if the person is unable to make that decision for himself or herself.

HEALTH CARE PROXY or APPOINTMENT OF HEALTH CARE AGENT. A document in which one person appoints another person to make medical decisions for him or her if he or she is unable to do so. This document is usually incorporated in a living will, but can be a separate document.

U.S. ESTATE TAX. A tax imposed by the federal government on property which a person owns, or over which he or she has control, at the time of his or her death. Generally, the tax is payable only if the total value of property which a person owns or controls at death exceeds a certain amount (applicable exclusion amount), which is $5,000,000 (but which has been increased by cost of living to $5,250,000 for 2013). Certain deductions, such as the marital deduction for property passing to a surviving spouse, are available in computing the estate tax. Gifts made during lifetime in excess of the applicable gift tax annual exclusion (currently $14,000/$28,000) are counted for purposes of determining the applicable exclusion amount.

PORTABILITY. A provision in Federal Law that allows the unused applicable exclusion amount of a married individual to be transferred at death to his or her surviving spouse, thereby giving the surviving spouse the ability to exclude additional amounts from future gift and estate taxes. If the surviving spouse remarries and the second spouse dies, the applicable exclusion amount available to the surviving spouse from the first deceased spouse may be reduced. Portability dos not apply for New Jersey Inheritance or Estate Tax purposes.

NEW JERSEY INHERITANCE TAX. A tax imposed by New Jersey on the transfer of property

at death. Transfers to certain relatives (e.g. spouse, child, grandchild) are exempt, while transfers to others (e.g. sibling, niece or nephew) are taxed beginning at 11% or 15%, with certain exemptions (e.g. $25,000 for sibling, $499 for niece/nephew). Transfers of certain property (e.g. life insurance proceeds payable to a named beneficiary other than the estate) are also exempt.

NEW JERSEY ESTATE TAX. A tax imposed by New Jersey equal to the credit for state death taxes granted by the federal government against the U.S. Estate Tax based on the law in effect on 12/31/01. Estates of $675,000 or less are not subject to the New Jersey Estate Tax. A $1,000,000 estate would pay $33,200 of N.J. Estate Tax. Such tax would be $99,600 on an estate of $2,000,000, $391,600 on an estate of $5,000,000 and $1,067,600 on an estate of $10,000,000.

U.S. GIFT TAX. A tax imposed by the federal government on gifts. Generally, no federal gift tax will be payable until the total amount of gifts exceeds the applicable exclusion amount ($5,000,000), which is indexed for inflation for 2013 to $5,250,000. Most gifts under $14,000 per recipient ($28,000 if a person is married and the spouse consents to split the gift) in any one year will not count against the applicable exclusion amount.

TITLE 3B. ADMINISTRATION OF ESTATES----DECEDENTS AND OTHERS

CHAPTER 9. DISCLAIMERS OF TRANSFERS BY WILL; UNDER POWERS OF TESTAMENTARY APPOINTMENT OR BY INTESTATE SUCCESSION

§ 3B:9-1. Definitions As used in this chapter:

a. A "present interest" is one to take effect in immediate possession, use or enjoyment without the intervention of a preceding estate or interest or without being dependent upon the happening of any event or thing;

b. A "future interest" is one to take effect in possession, use or enjoyment dependent upon the termination of an intervening estate or interest or the happening of any event or thing;

c. A "devisee" means any person designated in a will to receive a devise, but does not mean a trustee or trust designated in a will to receive a devise;

d. The "effective date" is the date on which a property right vests, or a contract right arises, even though the right is subject to divestment;

e. "Joint property" is property that is owned by two or more persons with rights of survivorship and includes a tenancy by the entirety, a joint tenancy, a joint tenancy with rights of survivorship and a joint life estate with contingent remainder in fee. For purposes of this chapter, joint property is deemed to consist of a present interest and a future interest. The future interest is the right of survivorship;

f. "Joint tenant" is the co-owner of joint property.

§ 3B:9-2. Disclaimer of an interested party

a. Any person who is an heir, or a devisee or beneficiary under a will or testamentary trust, or appointee under a power of appointment exercised by a will or testamentary trust, including a person succeeding to a disclaimed interest, may disclaim in whole or in part any property or interest therein, including a future interest, by delivering and filing a disclaimer under this chapter.

b. Any person who is a grantee, donee, surviving joint tenant, surviving party to a P.O.D. account or a trust deposit account, person succeeding to a disclaimed interest, beneficiary under a nontestamentary instrument or contract, appointee under a power of appointment exercised by a nontestamentary instrument, or a beneficiary under an insurance policy, may disclaim in whole or in part any such property or interest therein by delivering, and if required by N.J.S. 3B:9-7, by filing, a written disclaimer under this chapter.

c. A surviving joint tenant may disclaim as a separate interest any property or interest therein devolving to him by right of survivorship without regard to the extent, if any, the surviving joint tenant contributed to the creation of the joint property interest.

d. A disclaimer may be of a pecuniary or a fractional share, expressed as either a percentage or dollar amount, specific property or any limited interest or estate.

§ 3B:9-3. Requirements of a disclaimer

a. A disclaimer shall be in writing, signed and acknowledged by the person disclaiming, and shall:

(1) Describe the property, interest, power or discretion disclaimed;

(2) If the property interest disclaimed is real property, identify the municipality and county in which the real property is situated; and

(3) Declare the disclaimer and the extent thereof.
b. The disclaimer shall be made within the time prescribed by section 68 of P.L. 2004, c. 132 (C. 3B:9-4.2).

§ 3B:9-4. Disclaimer by a fiduciary of an interest in property
a. A fiduciary or agent acting on behalf of a principal within the express, general or implied authority of a power of attorney, may disclaim property or any interest therein.
b. Except as provided in subsection c. of this section, such disclaimer shall not be effective unless, prior thereto, the fiduciary or agent has been authorized to disclaim by the court having jurisdiction over the fiduciary or the principal after finding that such disclaimer is advisable and will not materially prejudice the rights of: (1) creditors, devisees, heirs or beneficiaries of the estate; (2) beneficiaries of the trust; or (3) the minor, the incapacitated individual, the conservatee or the principal for whom such fiduciary or agent acts.
c. If the governing instrument expressly authorizes the fiduciary or the agent to disclaim, the disclaimer by the fiduciary or agent shall be effective without court authorization.

§ 3B:9-4.1. Disclaimer by a fiduciary of a power of discretion
a. Any fiduciary, including an agent acting on behalf of a principal within the implied or general authority of a power of attorney, may disclaim any power or discretion held by such fiduciary in a fiduciary capacity. Unless the governing instrument specifically authorizes the fiduciary to disclaim such power or discretion without obtaining court authorization to do so, the disclaimer by the fiduciary shall not be effective unless, prior thereto, such fiduciary has been authorized to disclaim by the court having jurisdiction over the fiduciary after finding that it is advisable and will not materially prejudice the rights of: (1) devisees, heirs, or beneficiaries of the decedent; (2) the minor, the incapacitated individual, the conservatee, or the principal; or (3) the beneficiaries of the trust.
b. Unless expressly authorized by the court or by the governing instrument:
(1) Any disclaimer under this section shall be personal to the fiduciary so disclaiming and shall not constitute a disclaimer by a co-fiduciary or a successor or substituted fiduciary of such power or discretion;
(2) No disclaimer shall affect the rights of: (a) devisees, heirs or beneficiaries of the decedent; (b) the minor, the incapacitated individual, the conservatee, or the principal; or (c) the beneficiaries of the trust.

§ 3B:9-4.2. Time for disclaiming
a. The disclaimer of an interest in property may be delivered, and if required by this chapter filed, at any time after the effective date of the governing instrument, or in the case of an intestacy, at any time after the death of the intestate decedent, and must be delivered, and if required by this chapter filed, before the right to disclaim is barred by N.J.S.3B:9-9. With respect to joint property, the barring of the right to disclaim the present interest does not bar the right to disclaim the future interest.
b. The disclaimer of a power or discretion by a fiduciary, including an agent acting on behalf of a principal within the implied or general authority of a power of attorney, in a fiduciary capacity may be made at any time, before or after exercise.

§ 3B:9-5. Repealed by P.L. 2004 c. 132, § 94 effective Feb. 27, 2005

§ 3B:9-6. Delivering and filing disclaimer

a. The disclaimer of an interest by an intestate heir, or a person who is a devisee or beneficiary under a will or a testamentary trust or who is an appointee under a power of appointment exercised by a will or testamentary trust, including a person succeeding to a disclaimed interest, shall be filed in the office of the surrogate or clerk of the Superior Court in which proceedings have been commenced or will be commenced for the administration of the estate of the decedent or deceased donee of the power of appointment. A copy of the disclaimer shall also be delivered to any personal representative, or other fiduciary of the decedent or to the donee of the power or to the holder of the legal title to which the interest relates. The fiduciary shall promptly notify the person or persons who take the disclaimed interest, although any such failure to provide the notice required herein shall not affect the validity of the disclaimer.

b. The disclaimer of an interest in property, other than property passing under or pursuant to a will or testamentary trust shall be delivered to the fiduciary, payor or other person having legal title to or possession of the property or interest disclaimed or who is entitled thereto in the event of disclaimer. Any fiduciary, payor or other person having title to or possession of the property or interest who receives such disclaimer shall promptly notify the person or persons who take the disclaimed interest, although any such failure to provide the notice required herein shall not affect the validity of the disclaimer.

c. In the case of a disclaimer by a fiduciary of a power or discretion:

(1) If such disclaimer is made after court authorization, the fiduciary shall deliver a copy to such person or persons and in such manner as shall be directed by the court; or

(2) If such disclaimer is made without court authorization pursuant to N.J.S. 3B:9-4(a), the fiduciary shall deliver a copy to all co-fiduciaries, but if there are none, then to all persons whose property interests are affected by the disclaimer.

d. In the case of a will or testamentary trust or power of appointment under a will or testamentary trust, if real property or any interest therein is disclaimed, the surrogate or clerk of the Superior Court, as the case may be, shall forthwith forward a copy of the disclaimer for filing in the office of the clerk or register of deeds and mortgages of the county in which the real property is situated. In the case of a nontestamentary instrument or contract, if real property or any interest therein is disclaimed, the original thereof shall be filed in the office of the clerk or register of deeds and mortgages of the county in which the real property is situated.

e. For the purposes of this section, delivery may be effected: (1) in person; (2) by registered or certified mail; or (3) by another means which is reasonably likely to accomplish delivery.

§ 3B:9-7. Recording of disclaimer where real property or interest therein is disclaimed

Each county clerk or register of deeds and mortgages shall provide a book to be entitled "Disclaimers," so arranged that he may record therein:

a. The name of the disclaimant;

b. The name of the decedent or the name of the donee of the power of appointment, the name of the trustee or other person having legal title to, or possession of, the property or interest disclaimed or entitled thereto in the event of disclaimer or the name of the donee of the power of appointment;

c. The location of the property;

d. The file number of the county clerk's office or the office of register of deeds and mortgages indorsed upon each disclaimer filed;

e. The date of filing the disclaimer.The county clerk or the register of deeds and mortgages shall maintain in the record an alphabetical index of the names of all disclaimants stated in any disclaimer file, and also keep in his office for public inspection, all disclaimers so filed therein.

§ 3B:9-8. Effect of disclaimer

A disclaimer acts as a nonacceptance of the disclaimed interest, rather than as a transfer of the disclaimed interest. The disclaimant is treated as never having received the disclaimed interest. Unless a governing instrument otherwise provides, the property or interest disclaimed devolves:

a. As to a present interest:

(1) in the case of an intestacy, a will, a testamentary trust or a power of appointment exercised by a will or testamentary trust, as if the disclaimant had predeceased the decedent or, if the disclaimant is designated to take under a power of appointment exercised by a will or testamentary instrument, as if the disclaimant had predeceased the donee of the power. If by law or under the will or testamentary trust the descendants of the disclaimant would take the disclaimant's share by representation were the disclaimant to predecease the decedent, then the disclaimed interest devolves by representation to the descendants of the disclaimant who survive the decedent; and

(2) in the case of a nontestamentary instrument or contract, other than a joint property interest, as if the disclaimant had died before the effective date of the instrument or contract. If by law or under the nontestamentary instrument or contract the descendants of the disclaimant would take the disclaimant's share by representation were the disclaimant to predecease the effective date of the instrument, then the disclaimed interest devolves by representation to the descendants of the disclaimant who survive the effective date of the instrument.

(3) in the case of joint property created by a will, testamentary trust or non-testamentary instrument: (a) if the disclaimant is the only living owner, the disclaimed interest devolves to the estate of the last to die of the other joint owners; or (b) if the disclaimant is not the only living owner, the disclaimed interest devolves equally to the living joint owners, or all to the other living owner, if there is only one living owner.

b. As to a future interest:

(1) In the case of a will or testamentary trust or a power of appointment exercised by a will or testamentary trust, as if the disclaimant had died before the event determining that the taker of the property or interest is finally ascertained and his interest is vested; and

(2) In the case of a nontestamentary instrument or contract, as if the disclaimant had died before the event determining that the taker of the property or interest had become finally ascertained and the taker's interest is vested; and

(3) Notwithstanding the foregoing, a future interest that is held by the disclaimant who also holds the present interest and which takes effect at a time certain, such as a fixed calendar date or the disclaimant's attainment of a certain age, is not accelerated by the disclaimer and continues to take effect at the time certain.

c. Except as provided in subsection b. of this section, a disclaimer relates back for all purposes to the date of death of the decedent or the donee of the power or the effective date of the nontestamentary instrument or contract.

§ 3B:9-9. Bar of right to disclaim Bar of right to disclaim.

a. The right of an individual to disclaim property or any interest therein is barred by:

(1) an assignment, conveyance, encumbrance, pledge or transfer of the property or interest or a contract therefor; or
(2) a written waiver of the right to disclaim; or
(3) an acceptance of the property or interest or a benefit under it after actual knowledge that a property right has been conferred; or
(4) a sale of the property or interest that was seized under judicial process before the disclaimer is made; or
(5) the expiration of the permitted applicable perpetuities period; or
(6) a fraud on the individual's creditors as set forth in the "Uniform Fraudulent Transfer Act" (R.S.25:2-20 et seq.).
b. The disclaimant shall not be barred from disclaiming all or any part of the balance of the property where the disclaimant has received a portion of the property and there still remains an interest which the disclaimant is yet to receive.
c. A bar to the right to disclaim a present interest in joint property does not bar the right to disclaim a future interest in that property.
d. The right to disclaim may be barred to the extent provided by other applicable statutory law.

3B:9-10. Binding effect of disclaimer or waiver
The disclaimer or written waiver of the right to disclaim a property interest shall be binding upon the disclaimant or the individual waiving and all individuals claiming by, through or under him.

§ 3B:9-11. Spendthrift provision not to affect right to disclaim
The right to disclaim a property interest exists notwithstanding any limitation on the interest of the disclaimant in the nature of a spendthrift provision or similar restriction or any restriction or limitation on the right to disclaim a property interest contained in the governing instrument.

§ 3B:9-12. Right to disclaim, etc.; under other law not abridged
Right to disclaim, etc.; under other law not abridged. This chapter does not abridge the right of an individual to waive, release, disclaim or renounce property or an interest therein under any other statute or law.

§ 3B:9-14. Federal law
The provisions of this chapter, as amended and supplemented by P.L. 2004, c. 132 (C. 3B:3-33.1 et al.) are not intended to enlarge, limit, modify or otherwise affect the federal requirements for a qualified disclaimer under 26 U.S.C. 2518 or 26 U.S.C. § 2046.

§ 2518 Disclaimers.

(a) General rule.

For purposes of this subtitle, if a person makes a qualified disclaimer with respect to any interest in property, this subtitle shall apply with respect to such interest as if the interest had never been transferred to such person.

(b) Qualified disclaimer defined.

For purposes of subsection (a), the term "qualified disclaimer" means an irrevocable and unqualified refusal by a person to accept an interest in property but only if --

(1) such refusal is in writing,

(2) such writing is received by the transferor of the interest, his legal representative, or the holder of the legal title to the property to which the interest relates not later than the date which is 9 months after the later of --

(A) the day on which the transfer creating the interest in such person is made, or

(B) the day on which such person attains age 21,

(3) such person has not accepted the interest or any of its benefits, and

(4) as a result of such refusal, the interest passes without any direction on the part of the person making the disclaimer and passes either --

(A) to the spouse of the decedent, or

(B) to a person other than the person making the disclaimer.

(c) Other rules.

For purposes of subsection (a) --

(1) Disclaimer of undivided portion of interest.

A disclaimer with respect to an undivided portion of an interest which meets the requirements of the preceding sentence shall be treated as a qualified disclaimer of such portion of the interest.

(2) Powers.

A power with respect to property shall be treated as an interest in such property.

(3) Certain transfers treated as disclaimers.

A written transfer of the transferor's entire interest in the property --

(A) which meets requirements similar to the requirements of paragraphs (2) and (3) of subsection (b) , and

(B) which is to a person or persons who would have received the property had the transferor made a qualified disclaimer (within the meaning of subsection (b)), shall be treated as a qualified disclaimer.

§ 25.2518-1 Qualified disclaimers of property; in general.

(a) Applicability.

(1) In general. The rules described in this section, §25.2518-2, and §25.2518-3 apply to the qualified disclaimer of an interest in property which is created in the person disclaiming by a transfer made after December 31, 1976. In general, a qualified disclaimer is an irrevocable and unqualified refusal to accept the ownership of an interest in property. For rules relating to the determination of when a transfer creating an interest occurs, see §25.2518-2(c)(3) and (4).

(2) Example. The provisions of paragraph (a)(1) of this section may be illustrated by the following example:

Example (0). W creates an irrevocable trust on December 10, 1968, and retains the right to receive the income for life. Upon the death of W, which occurs after December 31, 1976, the trust property is distributable to W's surviving issue, per stirpes. The transfer creating the remainder interest in the trust occurred in 1968. See §25.2511-1(c)(2). Therefore, section 2518 does not apply to the disclaimer of the remainder interest because the transfer creating the interest was made prior to January 1, 1977. If, however, W had caused the gift to be incomplete by also retaining the power to designate the person or persons to receive the trust principal at death, and, as a result, no transfer (within the meaning of §25.2511-1(c)(2)) of the remainder interest was made at the time of the creation of the trust, section 2518 would apply to any disclaimer made after W's death with respect to an interest in the trust property.

(3) Paragraph (a)(1) of this section is applicable for transfers creating the interest to be disclaimed made on or after December 31, 1997.

(b) Effect of a qualified disclaimer. If a person makes a qualified disclaimer as described in section 2518(b) and § 25.2518-2, for purposes of the Federal estate, gift, and generation-skipping transfer tax provisions, the disclaimed interest in property is treated as if it had never been transferred to the person making the qualified disclaimer. Instead, it is considered as passing directly from the transferor of the property to the person entitled to receive the property as a result

of the disclaimer. Accordingly, a person making a qualified disclaimer is not treated as making a gift. Similarly, the value of a decedent's gross estate for purposes of the Federal estate tax does not include the value of property with respect to which the decedent, or the decedent's executor or administrator on behalf of the decedent, has made a qualified disclaimer. If the disclaimer is not a qualified disclaimer, for the purposes of the Federal estate, gift, and generation-skipping transfer tax provisions, the disclaimer is disregarded and the disclaimant is treated as having received the interest.

(c) Effect of local law.

(1) In general. (i) Interests created before 1982. A disclaimer of an interest created in a taxable transfer before 1982 which otherwise meets the requirements of a qualified disclaimer under section 2518 and the corresponding regulations but which, by itself, is not effective under applicable local law to divest ownership of the disclaimed property from the disclaimant and vest it in another, is nevertheless treated as a qualified disclaimer under section 2518 if, under applicable local law, the disclaimed interest in property is transferred, as a result of attempting the disclaimer, to another person without any direction on the part of the disclaimant. An interest in property will not be considered to be transferred without any direction on the part of the disclaimant if, under applicable local law, the disclaimant has any discretion (whether or not such discretion is exercised) to determine who will receive such interest. Actions by the disclaimant which are required under local law merely to divest ownership of the property from the disclaimant and vest ownership in another person will not disqualify the disclaimer for purposes of section 2518(a). See §25.2518-2(d)(1) for rules relating to the immediate vesting of title in the disclaimant.

(ii) Interests created after 1981. [Reserved].

(2) Creditor's claims. The fact that a disclaimer is voidable by the disclaimant's creditors has no effect on the determination of whether such disclaimer constitutes a qualified disclaimer. However, a disclaimer that is wholly void or that is voided by the disclaimant's creditors cannot be a qualified disclaimer.

(3) Examples. The provisions of paragraphs (c)(1) and (2) of this section may be illustrated by the following examples:

Example (1). F dies testate in State Y on June 17, 1978. G and H are beneficiaries under the will. The will provides that any disclaimed property is to pass to the residuary estate. H has no interest in the residuary estate. Under the applicable laws of State Y, a disclaimer must be made within 6 months of the death of the testator. Seven months after F's death, H disclaimed the real property H received under the will. The disclaimer statute of State Y has a provision stating that an untimely disclaimer will be treated as an assignment of the interest disclaimed to those persons who would have taken had the disclaimer been valid. Pursuant to this provision, the disclaimed property became part of the residuary estate. Assuming the remaining requirements of section 2518 are met, H has made a qualified disclaimer for purposes of section 2518(a).

Example (2). Assume the same facts as in example (1) except that the law of State Y does not treat an ineffective disclaimer as a transfer to alternative takers. H assigns the

disclaimed interest by deed to those who would have taken had the disclaimer been valid. Under these circumstances, H has not made a qualified disclaimer for purposes of section 2518(a) because the disclaimant directed who would receive the property.

Example (3). Assume the same facts as in example (1) except that the law of State Y requires H to pay a transfer tax in order to effectuate the transfer under the ineffective disclaimer provision. H pays the transfer tax. H has made a qualified disclaimer for purposes of section 2518(a).

(d) Cross-reference. For rules relating to the effect of qualified disclaimers on the estate tax charitable and marital deductions, see §§20.2055-2(c) and 20.2056(d)-1 respectively. For rules relating to the effect of a qualified disclaimer of a general power of appointment, see §20.2041-3(d).

T.D. 8095, 8/6/86, amend T.D. 8744, 12/30/97.

§ 25.2518-2 Requirements for a qualified disclaimer.

(a) In general. For the purposes of section 2518(a), a disclaimer shall be a qualified disclaimer only if it satisfies the requirements of this section. In general, to be a qualified disclaimer—

(1) The disclaimer must be irrevocable and unqualified;

(2) The disclaimer must be in writing;

(3) The writing must be delivered to the person specified in paragraph (b)(2) of this section within the time limitations specified in paragraph (c)(1) of this section;

(4) The disclaimant must not have accepted the interest disclaimed or any of its benefits; and

(5) The interest disclaimed must pass either to the spouse of the decedent or to a person other than the disclaimant without any direction on the part of the person making the disclaimer.

(b) Writing.

(1) Requirements. A disclaimer is a qualified disclaimer only if it is in writing. The writing must identify the interest in property disclaimed and be signed either by the disclaimant or by the disclaimant's legal representative.

(2) Delivery. The writing described in paragraph (b)(1) of this section must be delivered to the transferor of the interest, the transferor's legal representative, the holder of the legal title to the property to which the interest relates, or the person in possession of such property.

(c) Time limit.

(1) In general. A disclaimer is a qualified disclaimer only if the writing described in paragraph (b)(1) of this section is delivered to the persons described in paragraph (b)(2) of this section no later than the date which is 9 months after the later of—

(i) The date on which the transfer creating the interest in the disclaimant is made, or

(ii) The day on which the disclaimant attains age 21.

(2) A timely mailing of a disclaimer treated as a timely delivery. Although section 7502 and the regulations under that section apply only to documents to be filed with the Service, a timely mailing of a disclaimer to the person described in paragraph (b)(2) of this section is treated as a timely delivery if the mailing requirements under paragraphs (c)(1), (c)(2) and (d) of §301.7502-1 are met. Further, if the last day of the period specified in paragraph (c)(1) of this section falls on Saturday, Sunday or a legal holiday (as defined in paragraph (b) of §301.7503-1), then the delivery of the writing described in paragraph (b)(1) of this section shall be considered timely if delivery is made on the first succeeding day which is not Saturday, Sunday or a legal holiday. See paragraph (d)(3) of this section for rules applicable to the exception for individuals under 21 years of age.

(3) Transfer. (i) For purposes of the time limitation described in paragraph (c)(1)(i) of this section, the 9-month period for making a disclaimer generally is to be determined with reference to the transfer creating the interest in the disclaimant. With respect to inter vivos transfers, a transfer creating an interest occurs when there is a completed gift for Federal gift tax purposes regardless of whether a gift tax is imposed on the completed gift. Thus, gifts qualifying for the gift tax annual exclusion under section 2503(b) are regarded as transfers creating an interest for this purpose. With respect to transfers made by a decedent at death or transfers that become irrevocable at death, the transfer creating the interest occurs on the date of the decedent's death, even if an estate tax is not imposed on the transfer. For example, a bequest of foreign-situs property by a nonresident alien decedent is regarded as a transfer creating an interest in property even if the transfer would not be subject to estate tax. If there is a transfer creating an interest in property during the transferor's lifetime and such interest is later included in the transferor's gross estate for estate tax purposes (or would have been included if such interest were subject to estate tax), the 9-month period for making the qualified disclaimer is determined with reference to the earlier transfer creating the interest. In the case of a general power of appointment, the holder of the power has a 9-month period after the transfer creating the power in which to disclaim. If a person to whom any interest in property passes by reason of the exercise, release, or lapse of a general power desires to make a qualified disclaimer, the disclaimer must be made within a 9-month period after the exercise, release, or lapse regardless of whether the exercise, release, or lapse is subject to estate or gift tax. In the case of a nongeneral power of appointment, the holder of the power, permissible appointees, or takers in default of appointment must disclaim within a 9-month period after the original transfer that created or authorized the creation of the power. If the transfer is for the life of an income beneficiary with succeeding interests to other persons, both the life tenant and the other remaindermen, whether their interests are vested or contingent, must disclaim no later than 9 months after the original transfer creating an interest. In the case of a remainder interest in property

which an executor elects to treat as qualified terminable interest property under section 2056(b)(7), the remainderman must disclaim within 9 months of the transfer creating the interest, rather than 9 months from the date such interest is subject to tax under section 2044 or 2519. A person who receives an interest in property as the result of a qualified disclaimer of the interest must disclaim the previously disclaimed interest no later than 9 months after the date of the transfer creating the interest in the preceding disclaimant. Thus, if A were to make a qualified disclaimer of a specific bequest and as a result of the qualified disclaimer the property passed as part of the residue, the beneficiary of the residue could make a qualified disclaimer no later than 9 months after the date of the testator's death. See paragraph (d)(3) of this section for the time limitation rule with reference to recipients who are under 21 years of age.

(ii) Sentences 1 through 10 and 12 of paragraph (c)(3)(i) of this section are applicable for transfers creating the interest to be disclaimed made on or after December 31, 1997.

(4) Joint property. (i) Interests in joint tenancy with right of survivorship or tenancies by the entirety. Except as provided in paragraph (c)(4)(iii) of this section (with respect to joint bank, brokerage, and other investment accounts), in the case of an interest in a joint tenancy with right of survivorship or a tenancy by the entirety, a qualified disclaimer of the interest to which the disclaimant succeeds upon creation of the tenancy must be made no later than 9 months after the creation of the tenancy regardless of whether such interest can be unilaterally severed under local law. A qualified disclaimer of the survivorship interest to which the survivor succeeds by operation of law upon the death of the first joint tenant to die must be made no later than 9 months after the death of the first joint tenant to die regardless of whether such interest can be unilaterally severed under local law and, except as provided in paragraph (c)(4)(ii) of this section (with respect to certain tenancies created on or after July 14, 1988), such interest is deemed to be a one-half interest in the property. (See, however, section 2518(b)(2)(B) for a special rule in the case of disclaimers by persons under age 21.) This is the case regardless of the portion of the property attributable to consideration furnished by the disclaimant and regardless of the portion of the property that is included in the decedent's gross estate under section 2040 and regardless of whether the interest can be unilaterally severed under local law. See paragraph (c)(5), Examples (7) and (8), of this section.

(ii) Certain tenancies in real property between spouses created on or after July 14, 1988. In the case of a joint tenancy between spouses or a tenancy by the entirety in real property created on or after July 14, 1988, to which section 2523(i)(3) applies (relating to the creation of a tenancy where the spouse of the donor is not a United States citizen), the surviving spouse may disclaim any portion of the joint interest that is includible in the decedent's gross estate under section 2040. See paragraph (c)(5), Example (9), of this section.

(iii) Special rule for joint bank, brokerage, and other investment accounts (e.g., accounts held at mutual funds) established between spouses or between persons other than husband and wife. In the case of a transfer to a joint bank, brokerage, or other investment account (e.g., an account held at a mutual fund), if a transferor may unilaterally regain the transferor's own contributions to the account without the consent of the other cotenant, such that the transfer is not a completed gift under §25.2511-1(h)(4), the transfer creating the survivor's interest in the decedent's share of the account occurs on the death of the deceased cotenant. Accordingly, if a

surviving joint tenant desires to make a qualified disclaimer with respect to funds contributed by a deceased cotenant, the disclaimer must be made within 9 months of the cotenant's death. The surviving joint tenant may not disclaim any portion of the joint account attributable to consideration furnished by that surviving joint tenant. See paragraph (c)(5), Examples (12), (13), and (14), of this section, regarding the treatment of disclaimed interests under sections 2518, 2033 and 2040.

(iv) Effective date. This paragraph (c)(4) is applicable for disclaimers made on or after December 31, 1997.

(5) Examples. The provisions of paragraphs (c)(1) through (c)(4) of this section may be illustrated by the following examples. For purposes of the following examples, assume that all beneficiaries are over 21 years of age.

Example (1). On May 13, 1978, in a transfer which constitutes a completed gift for Federal gift tax purposes, A creates a trust in which B is given a lifetime interest in the income from the trust. B is also given a nongeneral testamentary power of appointment over the corpus of the trust. The power of appointment may be exercised in favor of any of the issue of A and B. If there are no surviving issue at B's death or if the power is not exercised, the corpus is to pass to E. On May 13, 1978, A and B have two surviving children, C and D. If A, B, C or D wishes to make a qualified disclaimer, the disclaimer must be made no later than 9 months after May 13, 1978.

Example (2). Assume the same facts as in example (1) except that B is given a general power of appointment over the corpus of the trust. B exercises the general power of appointment in favor of C upon B's death on June 17, 1989. C may make a qualified disclaimer no later than 9 months after June 17, 1989. If B had died without exercising the general power of appointment, E could have made a qualified disclaimer no later than 9 months after June 17, 1989.

Example (3). F creates a trust on April 1, 1978, in which F's child G is to receive the income from the trust for life. Upon G's death, the corpus of the trust is to pass to G's child H. If either G or H wishes to make a qualified disclaimer, it must be made no later than 9 months after April 1, 1978.

Example (4). A creates a trust on February 15, 1978, in which B is named the income beneficiary for life. The trust further provides that upon B's death the proceeds of the trust are to pass to C, if then living. If C predeceases D, the proceeds shall pass to D or D's estate. To have timely disclaimers for purposes of section 2518, B, C, and D must disclaim their respective interests no later than 9 months after February 15, 1978.

Example (5). A, a resident of State Q, dies on January 10, 1979, devising certain real property to B. The disclaimer laws of State Q require that a disclaimer be made within a reasonable time after a transfer. B disclaims the entire interest in real property on November 10, 1979. Although B's disclaimer may be effective under State Q law, it is not a qualified disclaimer under section 2518 because the disclaimer was made later than 9 months after the taxable transfer to B.

Example (6). A creates a revocable trust on June 1, 1980, in which B and C are given the income interest for life. Upon the death of the last income beneficiary, the remainder interest is to pass to D. The creation of the trust is not a completed gift for Federal gift tax purposes, but each distribution of trust income to B and C is a completed gift at the date of distribution. B and C disclaim each income distribution no later than 9 months after the date of the particular distribution. In order to disclaim an income distribution in the form of a check, the recipient must return the check to the trustee uncashed along with a written disclaimer. A dies on September 1, 1982, causing the trust to become irrevocable, and the trust corpus is includible in A's gross estate for Federal estate tax purposes under section 2038. If B or C wishes to make a qualified disclaimer of his income interest, he must do so no later than 9 months after September 1, 1982. If D wishes to make a qualified disclaimer of his remainder interest, he must do so no later than 9 months after September 1, 1982.

Example (7). On February 1, 1990, A purchased real property with A's funds. Title to the property was conveyed to 'A and B, as joint tenants with right of survivorship.' Under applicable state law, the joint interest is unilaterally severable by either tenant. B dies on May 1, 1998, and is survived by A. On January 1, 1999, A disclaims the one-half survivorship interest in the property to which A succeeds as a result of B's death. Assuming that the other requirements of section 2518(b) are satisfied, A has made a qualified disclaimer of the one-half survivorship interest (but not the interest retained by A upon the creation of the tenancy, which may not be disclaimed by A). The result is the same whether or not A and B are married and regardless of the proportion of consideration furnished by A and B in purchasing the property.

Example (8). Assume the same facts as in Example (7) except that A and B are married and title to the property was conveyed to 'A and B, as tenants by the entirety.' Under applicable state law, the tenancy cannot be unilaterally severed by either tenant. Assuming that the other requirements of section 2518(b) are satisfied, A has made a qualified disclaimer of the one-half survivorship interest (but not the interest retained by A upon the creation of the tenancy, which may not be disclaimed by A). The result is the same regardless of the proportion of consideration furnished by A and B in purchasing the property.

Example (9). On March 1, 1989, H and W purchase a tract of vacant land which is conveyed to them as tenants by the entirety. The entire consideration is paid by H. W is not a United States citizen. H dies on June 1, 1998. W can disclaim the entire joint interest because this is the interest includible in H's gross estate under section 2040(a). Assuming that W's disclaimer is received by the executor of H's estate no later than 9 months after June 1, 1998, and the other requirements of section 2518(b) are satisfied, W's disclaimer of the property would be a qualified disclaimer. The result would be the same if the property was held in joint tenancy with right of survivorship that was unilaterally severable under local law.

Example (10). In 1986, spouses A and B purchased a personal residence taking title as tenants by the entirety. B dies on July 10, 1998. A wishes to disclaim the one-half undivided interest to which A would succeed by right of survivorship. If A makes the disclaimer, the property interest would pass under B's will to their child C. C, an adult, and A resided in the residence at B's death and will continue to reside there in the future. A continues to own a one-half undivided interest in the property. Assuming that the other requirements of section 2518(b) are satisfied, A

may make a qualified disclaimer with respect to the one-half undivided survivorship interest in the residence if A delivers the written disclaimer to the personal representative of B's estate by April 10, 1999, since A is not deemed to have accepted the interest or any of its benefits prior to that time and A's occupancy of the residence after B's death is consistent with A's retained undivided ownership interest. The result would be the same if the property was held in joint tenancy with right of survivorship that was unilaterally severable under local law.

Example (11). H and W, husband and wife, reside in state X, a community property state. On April 1, 1978, H and W purchase real property with community funds. The property is not held by H and W as jointly owned property with rights of survivorship. H and W hold the property until January 3, 1985, when H dies. H devises his portion of the property to W. On March 15, 1985, W disclaims the portion of the property devised to her by H. Assuming all the other requirements of section 2518(b) have been met, W has made a qualified disclaimer of the interest devised to her by H. However, W could not disclaim the interest in the property that she acquired on April 1, 1978.

Example (12). On July 1, 1990, A opens a bank account that is held jointly with B, A's spouse, and transfers $50,000 of A's money to the account. A and B are United States citizens. A can regain the entire account without B's consent, such that the transfer is not a completed gift under §25.2511-1(h)(4). A dies on August 15, 1998, and B disclaims the entire amount in the bank account on October 15, 1998. Assuming that the remaining requirements of section 2518(b) are satisfied, B made a qualified disclaimer under section 2518(a) because the disclaimer was made within 9 months after A's death at which time B had succeeded to full dominion and control over the account. Under state law, B is treated as predeceasing A with respect to the disclaimed interest. The disclaimed account balance passes through A's probate estate and is no longer joint property includible in A's gross estate under section 2040. The entire account is, instead, includible in A's gross estate under section 2033. The result would be the same if A and B were not married.

Example (13). The facts are the same as Example (12), except that B, rather than A, dies on August 15, 1998. A may not make a qualified disclaimer with respect to any of the funds in the bank account, because A furnished the funds for the entire account and A did not relinquish dominion and control over the funds.

Example (14). The facts are the same as Example (12), except that B disclaims 40 percent of the funds in the account. Since, under state law, B is treated as predeceasing A with respect to the disclaimed interest, the 40 percent portion of the account balance that was disclaimed passes as part of A's probate estate, and is no longer characterized as joint property. This 40 percent portion of the account balance is, therefore, includible in A's gross estate under section 2033. The remaining 60 percent of the account balance that was not disclaimed retains its character as joint property and, therefore, is includible in A's gross estate as provided in section 2040(b). Therefore, 30 percent (1/2 x 60 percent) of the account balance is includible in A's gross estate under section 2040(b), and a total of 70 percent of the aggregate account balance is includible in A's gross estate. If A and B were not married, then the 40 percent portion of the account subject to the disclaimer would be includible in A's gross estate as provided in section 2033 and the 60 percent portion of the account not subject to the disclaimer would be includible in

A's gross estate as provided in section 2040(a), because A furnished all of the funds with respect to the account.

(d) No acceptance of benefits.

(1) Acceptance. A qualified disclaimer cannot be made with respect to an interest in property if the disclaimant has accepted the interest or any of its benefits, expressly or impliedly, prior to making the disclaimer. Acceptance is manifested by an affirmative act which is consistent with ownership of the interest in property. Acts indicative of acceptance include using the property or the interest in property; accepting dividends, interest, or rents from the property; and directing others to act with respect to the property or interest in property. However, merely taking delivery of an instrument of title, without more, does not constitute acceptance. Moreover, a disclaimant is not considered to have accepted property merely because under applicable local law title to the property vests immediately in the disclaimant upon the death of a decedent. The acceptance of one interest in property will not, by itself, constitute an acceptance of any other separate interests created by the transferor and held by the disclaimant in the same property. In the case of residential property, held in joint tenancy by some or all of the residents, a joint tenant will not be considered to have accepted the joint interest merely because the tenant resided on the property prior to disclaiming his interest in the property. The exercise of a power of appointment to any extent by the donee of the power is an acceptance of its benefits. In addition, the acceptance of any consideration in return for making the disclaimer is an acceptance of the benefits of the entire interest disclaimed.

(2) Fiduciaries. If a beneficiary who disclaims an interest in property is also a fiduciary, actions taken by such person in the exercise of fiduciary powers to preserve or maintain the disclaimed property shall not be treated as an acceptance of such property or any of its benefits. Under this rule, for example, an executor who is also a beneficiary may direct the harvesting of a crop or the general maintenance of a home. A fiduciary, however, cannot retain a wholly discretionary power to direct the enjoyment of the disclaimed interest. For example, a fiduciary's disclaimer of a beneficial interest does not meet the requirements of a qualified disclaimer if the fiduciary exercised or retains a discretionary power to allocate enjoyment of that interest among members of a designated class. See paragraph (e) of this section for rules relating to the effect of directing the redistribution of disclaimed property.

(3) Under 21 years of age. A beneficiary who is under 21 years of age has until 9 months after his twenty-first birthday in which to make a qualified disclaimer of his interest in property. Any actions taken with regard to an interest in property by a beneficiary or a custodian prior to the beneficiary's twenty-first birthday will not be an acceptance by the beneficiary of the interest.

(4) Examples. The provisions of paragraphs (d)(1), (2) and (3) of this section may be illustrated by the following examples:

Example (1). On April 9, 1977, A established a trust for the benefit of B, then age 22. Under the terms of the trust, the current income of the trust is to be paid quarterly to B. Additionally, one half the principal is to be distributed to B when B attains the age of 30 years. The balance of the principal is to be distributed to B when B attains the age of 40 years. Pursuant to the

terms of the trust, B received a distribution of income on June 30, 1977. On August 1, 1977, B disclaimed B's right to receive both the income from the trust and the principal of the trust, B's disclaimer of the income interest is not a qualified disclaimer for purposes of section 2518(a) because B accepted income prior to making the disclaimer. B's disclaimer of the principal, however, does satisfy section 2518(b)(3). See also §25.2518-3 for rules relating to the disclaimer of less than an entire interest in property.

Example (2). B is the recipient of certain property devised to B under the will of A. The will stated that any disclaimed property was to pass to C. B and C entered into negotiations in which it was decided that B would disclaim all interest in the real property that was devised to B. In exchange, C promised to let B live in the family home for life. B's disclaimer is not a qualified disclaimer for purposes of section 2518(a) because B accepted consideration for making the disclaimer.

Example (3). A received a gift of Blackacre on December 25, 1978. A never resided on Blackacre but when property taxes on Blackacre became due on July 1, 1979, A paid them out personal funds. On August 15, 1979, A disclaimed the gift of Blackacre. Assuming all the requirements of section 2518(b) have been met, A has made a qualified disclaimer of Blackacre. Merely paying the property taxes does not constitute an acceptance of Blackacre even though A's personal funds were used to pay the taxes.

Example (4). A died on February 15, 1978. Pursuant to A's will, B received a farm in State Z. B requested the executor to sell the farm and to give the proceeds to B. The executor then sold the farm pursuant to B's request. B then disclaimed $50,000 of the proceeds from the sale of the farm. B's disclaimer is not a qualified disclaimer. By requesting the executor to sell the farm B accepted the farm even though the executor may not have been legally obligated to comply with B's request. See also §25.2518-3 for rules relating to the disclaimer of less than an entire interest in property.

Example (5). Assume the same facts as in example (4) except that instead of requesting the executor to sell the farm, B pledged the farm as security for a short-term loan which was paid off prior to distribution of the estate. B then disclaimed his interest in the farm. B's disclaimer is not a qualified disclaimer. By pledging the farm as security for the loan, B accepted the farm.

Example (6). A delivered 1,000 shares of stock in Corporation X to B as a gift on February 1, 1980. A had the shares registered in B's name on that date. On April 1, 1980, B disclaimed the interest in the 1,000 shares. Prior to making the disclaimer, B did not pledge the shares, accept any dividends or otherwise commit any acts indicative of acceptance. Assuming the remaining requirements of section 2518 are satisfied, B's disclaimer is a qualified disclaimer.

Example (7). On January 1, 1980, A created an irrevocable trust in which B was given a testamentary general power of appointment over the trust's corpus. B executed a will on June 1, 1980, in which B provided for the exercise of the power of appointment. On September 1, 1980, B disclaimed the testamentary power of appointment. Assuming the remaining requirements of

section 2518(b) are satisfied, B's disclaimer of the testamentary power of appointment is a qualified disclaimer.

Example (8). H and W reside in X, a community property state. On January 1, 1981, H and W purchase a residence with community funds. They continue to reside in the house until H dies testate on February 1, 1990. Although H could devise his portion of the residence to any person, H devised his portion of the residence to W. On September 1, 1990, W disclaims the portion of the residence devised to her pursuant to H's will but continues to live in the residence. Assuming the remaining requirements of section 2518(b) are satisfied, W's disclaimer is a qualified disclaimer under section 2518(a). W's continued occupancy of the house prior to making the disclaimer will not by itself be treated as an acceptance of the benefits of the portion of the residence devised to her by H.

Example (9). In 1979, D established a trust for the benefit of D's minor children E and F. Under the terms of the trust, the trustee is given the power to make discretionary distributions of current income and corpus to both children. The corpus of the trust is to be distributed equally between E and F when E becomes 35 years of age. Prior to attaining the age of 21 years on April 8, 1982, E receives several distributions of income from the trust. E receives no distributions of income between April 8, 1982 and August 15, 1982, which is the date on which E disclaims all interest in the income from the trust. As a result of the disclaimer the income will be distributed to F. If the remaining requirements of section 2518 are met, E's disclaimer is a qualified disclaimer under section 2518(a). To have a qualified disclaimer of the interest in corpus, E must disclaim the interest no later than 9 months after April 8, 1982, E's 21st birthday.

Example (10). Assume the same facts as in example (9) except that E accepted a distribution of income on May 13, 1982. E's disclaimer is not a qualified disclaimer under section 2518 because by accepting an income distribution after attaining the age of 21, E accepted benefits from the income interest.

Example (11). F made a gift of 10 shares of stock to G as custodian for H under the State X Uniform Gifts to Minors Act. At the time of the gift, H was 15 years old. At age 18, the local age of majority, the 10 shares were delivered to and registered in the name of H. Between the receipt of the shares and H's 21st birthday, H received dividends from the shares. Within 9 months of attaining age 21, H disclaimed the 10 shares. Assuming H did not accept any dividends from the shares after attaining age 21, the disclaimer by H is a qualified disclaimer under section 2518.

(e) Passage without direction by the disclaimant of beneficial enjoyment of disclaimed interest.

(1) In general. A disclaimer is not a qualified disclaimer unless the disclaimed interest passes without any direction on the part of the disclaimant to a person other than the disclaimant (except as provided in paragraph (e)(2) of this section). If there is an express or implied agreement that the disclaimed interest in property is to be given or bequeathed to a person specified by the disclaimant, the disclaimant shall be treated as directing the transfer of the property interest. The requirements of a qualified disclaimer under section 2518 are not satisfied if—

(i) The disclaimant, either alone or in conjunction with another, directs the redistribution or transfer of the property or interest in property to another person (or has the power to direct the redistribution or transfer of the property or interest in property to another person unless such power is limited by an ascertainable standard); or

(ii) The disclaimed property or interest in property passes to or for the benefit of the disclaimant as a result of the disclaimer (except as provided in paragraph (e)(2) of this section). If a power of appointment is disclaimed, the requirements of this paragraph (e)(1) are satisfied so long as there is no direction on the part of the disclaimant with respect to the transfer of the interest subject to the power or with respect to the transfer of the power to another person. A person may make a qualified disclaimer of a beneficial interest in property even if after such disclaimer the disclaimant has a fiduciary power to distribute to designated beneficiaries, but only if the power is subject to an ascertainable standard. See examples (11) and (12) of paragraph (e)(5) of this section.

(2) Disclaimer by surviving spouse. In the case of a disclaimer made by a decedent's surviving spouse with respect to property transferred by the decedent, the disclaimer satisfies the requirements of this paragraph (e) if the interest passes as a result of the disclaimer without direction on the part of the surviving spouse either to the surviving spouse or to another person. If the surviving spouse, however, retains the right to direct the beneficial enjoyment of the disclaimed property in a transfer that is not subject to Federal estate and gift tax (whether as trustee or otherwise), such spouse will be treated as directing the beneficial enjoyment of the disclaimed property, unless such power is limited by an ascertainable standard. See examples (4), (5), and (6) in paragraph (e)(5) of this section.

(3) Partial failure of disclaimer. If a disclaimer made by a person other than the surviving spouse is not effective to pass completely an interest in property to a person other than the disclaimant because—

(i) The disclaimant also has a right to receive such property as an heir at law, residuary beneficiary, or by any other means; and

(ii) The disclaimant does not effectively disclaim these rights, the disclaimer is not a qualified disclaimer with respect to the portion of the disclaimed property which the disclaimant has a right to receive. If the portion of the disclaimed interest in property which the disclaimant has a right to receive is not severable property or an undivided portion of the property, then the disclaimer is not a qualified disclaimer with respect to any portion of the property. Thus, for example, if a disclaimant who is not a surviving spouse receives a specific bequest of a fee simple interest in property and as a result of the disclaimer of the entire interest, the property passes to a trust in which the disclaimant has a remainder interest, then the disclaimer will not be a qualified disclaimer unless the remainder interest in the property is also disclaimed. See §25.2518-3(a)(1)(ii) for the definition of severable property.

(4) Effect of precatory language. Precatory language in a disclaimer naming takers of disclaimed property will not be considered as directing the redistribution or transfer of the property or interest in property to such persons if the applicable State law gives the language no legal effect.

(5) Examples. The provisions of this paragraph (e) may be illustrated by the following examples:

Example (1). A, a resident of State X, died on July 30, 1978. Pursuant to A's will, B, A's son and heir at law, received the family home. In addition, B and C each received 50 percent of A's residuary estate. B disclaimed the home. A's will made no provision for the distribution of property in the case of a beneficiary's disclaimer. Therefore, pursuant to the disclaimer laws of State X, the disclaimed property became part of the residuary estate. Because B's 50 percent share of the residuary estate will be increased by 50 percent of the value of the family home, the disclaimed property will not pass solely to another person. Consequently, B's disclaimer of the family home is a qualified disclaimer only with respect to the 50 percent portion that passes solely to C. Had B also disclaimed B's 50 percent interest in the residuary estate, the disclaimer would have been a qualified disclaimer under section 2518 of the entire interest in the home (assuming the remaining requirements of a qualified disclaimer were satisfied). Similarly, if under the laws of State X, the disclaimer has the effect of divesting B of all interest in the home, both as devisee and as a beneficiary of the residuary estate, including any property resulting from its sale, the disclaimer would be a qualified disclaimer of B's entire interest in the home.

Example (2). D, a resident of State Y, died testate on June 30, 1978. E, an heir at law of D, received specific bequests of certain severable personal property from D. E disclaimed the property transferred by D under the will. The will made no provision for the distribution of property in the case of a beneficiary's disclaimer. The disclaimer laws of State Y provide that such property shall pass to the decedent's heirs at law in the same manner as if the disclaiming beneficiary had died immediately before the testator's death. Because State Y's law treats E as predeceasing D, the property disclaimed by E does not pass to E as an heir at law or otherwise. Consequently, if the remaining requirements of section 2518(b) are satisfied, E's disclaimer is a qualified disclaimer under section 2518(a).

Example (3). Assume the same facts as in example (2) except that State Y has no provision treating the disclaimant as predeceasing the testator. E's disclaimer satisfies section 2518(b)(4) only to the extent that E does not have a right to receive the property as an heir at law. Had E disclaimed both the share E received under D's will and E's intestate share, the requirement of section 2518(b)(4) would have been satisfied.

Example (4). B died testate on February 13, 1980. B's will established both a marital trust and a nonmarital trust. The decedent's surviving spouse, A, is an income beneficiary of the marital trust and has a testamentary general power of appointment over its assets. A is also an income beneficiary of the nonmarital trust, but has no power to appoint or invade the corpus. The provisions of the will specify that any portion of the marital trust disclaimed is to be added to the nonmarital trust. A disclaimed 30 percent of the marital trust. (See §25.2518-3(b) for rules relating to the disclaimer of an undivided portion of an interest in property.) Pursuant to the will, this portion of the marital trust property was transferred to the nonmarital trust without any direction on the part of A. This disclaimer by A satisfies section 2518(b)(4).

Example (5). Assume the same facts as in example (4) except that A, the surviving spouse, has both an income interest in the nonmarital trust and a testamentary nongeneral power to

appoint among designated beneficiaries. This power is not limited by an ascertainable standard. The requirements of section 2518(b)(4) are not satisfied unless A also disclaims the nongeneral power to appoint the portion of the trust corpus that is attributable to the property that passed to the nonmarital trust as a result of A's disclaimer. Assuming that the fair market value of the disclaimed property on the date of the disclaimer is $250,000 and that the fair market value of the nonmarital trust (including the disclaimed property) immediately after the disclaimer is $750,000, A must disclaim the power to appoint one-third of the nonmarital trust's corpus. The result is the same regardless of whether the nongeneral power is testamentary or inter vivos.

Example (6). Assume the same facts as in example (4) except that A has both an income interest in the nonmarital trust and a power to invade corpus if needed for A's health or maintenance. In addition, an independent trustee has power to distribute to A any portion of the corpus which the trustee determines to be desirable for A's happiness. Assuming the other requirements of section 2518 are satisfied. A may make a qualified disclaimer of interests in the marital trust without disclaiming any of A's interests in the nonmarital trust.

Example (7). B died testate on June 1, 1980. B's will created both a marital trust and a nonmarital trust. The decedent's surviving spouse, C, is an income beneficiary of the marital trust and has a testamentary general power of appointment over its assets. C is an income beneficiary of the nonmarital trust, and additionally has the noncumulative right to withdraw yearly the greater of $5,000 or 5 percent of the aggregate value of the principal. The provisions of the will specify that any portion of the marital trust disclaimed is to be added to the nonmarital trust. C disclaims 50 percent of the marital trust corpus. Pursuant to the will, this amount is transferred to the nonmarital trust. Assuming the remaining requirements of section 2518(b) are satisfied, C's disclaimer is a qualified disclaimer.

Example (8). A, a resident of State X, died on July 19, 1979. A was survived by a spouse B, and three children, C, D, and E. Pursuant to A's will, B received one-half of A's estate and the children received equal shares of the remaining one-half of the estate. B disclaimed the entire interest B had received. The will made no provisions for the distribution of property in the case of a beneficiary's disclaimer. The disclaimer laws of State X provide that under these circumstances disclaimed property passes to the decedent's heirs at law in the same manner as if the disclaiming beneficiary had died immediately before the testator's death. As a result, C, D, and E are A's only remaining heirs at law, and will divide the disclaimed property equally among themselves. B's disclaimer includes language stating that 'it is my intention that C, D, and E will share equally in the division of this property as a result of my disclaimer.' State X considers these to be precatory words and gives them no legal effect. B's disclaimer meets all other requirements imposed by State X on disclaimers, and is considered an effective disclaimer under which the property will vest solely in C, D, and E in equal shares without any further action required by B. Therefore, B is not treated as directing the redistribution or transfer of the property. If the remaining requirements of section 2518 are met, B's disclaimer is a qualified disclaimer.

Example (9). C died testate on January 1, 1979. According to C's will, D was to receive 1/3 of the residuary estate with any disclaimed property going to E. D was also to receive a second 1/3 of the residuary estate with any disclaimed property going to F. Finally, D was to receive a final 1/3 of the residuary estate with any disclaimed property going to G. D specifically

states that he is disclaiming the interest in which the disclaimed property is designated to pass to E. D has effectively directed that the disclaimed property will pass to E and therefore D's disclaimer is not a qualified disclaimer under section 2518(a).

Example (10). Assume the same facts as in example (9) except that C's will also states that D was to receive Blackacre and Whiteacre. C's will further provides that if D disclaimed Blackacre then such property was to pass to E and that if D disclaimed Whiteacre then Whiteacre was to pass to F. D specifically disclaims Blackacre with the intention that it pass to E. Assuming the other requirements of section 2518 are met, D has made a qualified disclaimer of Blackacre. Alternatively, D could disclaim an undivided portion of both Blackacre and Whiteacre. Assuming the other requirements of section 2518 are met, this would also be a qualified disclaimer.

Example (11). G creates an irrevocable trust on February 16, 1983, naming H, I and J as the income beneficiaries for life and F as the remainderman. F is also named the trustee and as trustee has the discretionary power to invade the corpus and make discretionary distributions to H, I or J during their lives. F disclaims the remainder interest on August 8, 1983, but retains his discretionary power to invade the corpus. F has not made a qualified disclaimer because F retains the power to direct enjoyment of the corpus and the retained fiduciary power is not limited by an ascertainable standard.

Example (12). Assume the same facts as in example (11) except that F may only invade the corpus to make distributions for the health, maintenance or support of H, I or J during their lives. If the other requirements of section 2518(b) are met, F has made a qualified disclaimer of the remainder interest because the retained fiduciary power is limited by an ascertainable standard.

T.D. 8095, 8/6/86, amend T.D. 8744, 12/30/97.

§ 25.2518-3 Disclaimer of less than an entire interest.

(a) Disclaimer of a partial interest.

(1) In general. (i) Interest. If the requirements of this section are met, the disclaimer of all or an undivided portion of any separate interest in property may be a qualified disclaimer even if the disclaimant has another interest in the same property. In general, each interest in property that is separately created by the transferor is treated as a separate interest. For example, if an income interest in securities is bequeathed to A for life, then to B for life, with the remainder interest in such securities bequeathed to A's estate, and if the remaining requirements of section 2518(b) are met, A could make a qualified disclaimer of either the income interest or the remainder, or an undivided portion of either interest. A could not, however, make a qualified disclaimer of the income interest for a certain number of years. Further, where local law merges interests separately created by the transferor, a qualified disclaimer will be allowed only if there is a disclaimer of the entire merged interest or an undivided portion of such merged interest. See example (12) in paragraph (d) of this section. See § 25.2518-3(b) for rules relating to the disclaimer of an undivided portion. Where the merger of separate interests would occur but for the creation by the

transferor of a nominal interest (as defined in paragraph (a)(1)(iv) of this section), a qualified disclaimer will be allowed only if there is a disclaimer of all the separate interests, or an undivided portion of all such interests, which would have merged but for the nominal interest.

(ii) Severable property. A disclaimant shall be treated as making a qualified disclaimer of a separate interest in property if the disclaimer relates to severable property and the disclaimant makes a disclaimer which would be a qualified disclaimer if such property were the only property in which the disclaimant had an interest. If applicable local law does not recognize a purported disclaimer of severable property, the disclaimant must comply with the requirements of paragraph (c)(1) of §25.2518-1 in order to make a qualified disclaimer of the severable property. Severable property is property which can be divided into separate parts each of which, after severance, maintains a complete and independent existence. For example, a legatee of shares of corporate stock may accept some shares of the stock and make a qualified disclaimer of the remaining shares.

(iii) Powers of appointment. A power of appointment with respect to property is treated as a separate interest in such property and such power of appointment with respect to all or an undivided portion of such property may be disclaimed independently from any other interests separately created by the transferor in the property if the requirements of section 2518(b) are met. See example (21) of paragraph (d) of this section. Further, a disclaimer of a power of appointment with respect to property is a qualified disclaimer only if any right to direct the beneficial enjoyment of the property which is retained by the disclaimant is limited by an ascertainable standard. See example (9) of paragraph (d) of this section.

(iv) Nominal interest. A nominal interest is an interest in property created by the transferor that—

(A) Has an actuarial value (as determined under §20.2031-7) of less than 5 percent of the total value of the property at the time of the taxable transfer creating the interest,

(B) Prevents the merger under local law or two or more other interests created by the transferor, and

(C) Can be clearly shown from all the facts and circumstances to have been created primarily for the purpose of preventing the merger of such other interests. Factors to be considered in determining whether an interest is created primarily for the purpose of preventing merger include (but are not limited to) the following: the relationship between the transferor and the interest holder; the age difference between the interest holder and the beneficiary whose interests would have merged; the interest holder's state of health at the time of the taxable transfer; and, in the case of a contingent remainder, any other factors which indicate that the possibility of the interest vesting as a fee simple is so remote as to be negligible.

(2) In trust. A disclaimer is not a qualified disclaimer under section 2518 if the beneficiary disclaims income derived from specific property transferred in trust while continuing to accept income derived from the remaining properties in the same trust unless the disclaimer

results in such property being removed from the trust and passing, without any direction on the part of the disclaimant, to persons other than the disclaimant or to the spouse of the decedent. Moreover, a disclaimer of both an income interest and a remainder interest in specific trust assets is not a qualified disclaimer if the beneficiary retains interests in other trust property unless, as a result of the disclaimer, such assets are removed from the trust and pass, without any direction on the part of the disclaimant, to persons other than the disclaimant or to the spouse of the decedent. The disclaimer of an undivided portion of an interest in a trust may be a qualified disclaimer. See also paragraph (b) of this section for rules relating to the disclaimer of an undivided portion of an interest in property.

(b) Disclaimer of undivided portion. A disclaimer of an undivided portion of a separate interest in property which meets the other requirements of a qualified disclaimer under section 2518(b) and the corresponding regulations is a qualified disclaimer. An undivided portion of a disclaimant's separate interest in property must consist of a fraction or percentage of each and every substantial interest or right owned by the disclaimant in such property and must extend over the entire term of the disclaimant's interest in such property and in other property into which such property is converted. A disclaimer of some specific rights while retaining other rights with respect to an interest in the property is not a qualified disclaimer of an undivided portion of the disclaimant's interest in property. Thus, for example, a disclaimer made by the devisee of a fee simple interest in Blackacre is not a qualified disclaimer if the disclaimant disclaims a remainder interest in Blackacre but retains a life estate.

(c) Disclaimer of a pecuniary amount. A disclaimer of a specific pecuniary amount out of a pecuniary or nonpecuniary bequest or gift which satisfies the other requirements of a qualified disclaimer under section 2518(b) and the corresponding regulations is a qualified disclaimer provided that no income or other benefit of the disclaimed amount inures to the benefit of the disclaimant either prior to or subsequent to the disclaimer. Thus, following the disclaimer of a specific pecuniary amount from a bequest or gift, the amount disclaimed and any income attributable to such amount must be segregated from the portion of the gift or bequest that was not disclaimed. Such a segregation of assets making up the disclaimer of a pecuniary amount must be made on the basis of the fair market value of the assets on the date of the disclaimer or on a basis that is fairly representative of value changes that may have occurred between the date of transfer and the date of the disclaimer. A pecuniary amount distributed to the disclaimant from the bequest or gift prior to the disclaimer shall be treated as a distribution of corpus from the bequest or gift. However, the acceptance of a distribution from the gift or bequest shall also be considered to be an acceptance of a proportionate amount of income earned by the bequest or gift. The proportionate share of income considered to be accepted by the disclaimant shall be determined at the time of the disclaimer according to the following formula:

$$\frac{\text{Total amount of distributions received by the disclaimant out of the gift or bequest}}{\text{Total value of the gift or bequest on the date of transfer}} \times \text{Total amount of income earned by the gift or bequest between date of transfer and date of disclaimer}$$

See examples (17), (18), and (19) in §25.2518-3(d) for illustrations of the rules set forth in this paragraph (c).

(d) Examples. The provisions of this section may be illustrated by the following examples:

Example (1). A, a resident of State Q, died on August 1, 1978. A's will included specific bequests of 100 shares of stock in X corporation; 200 shares of stock in Y corporation; 500 shares of stock in Z corporation; personal effects consisting of paintings, home furnishings, jewelry, and silver, and a 500 acre farm consisting of a residence, various outbuildings, and 500 head of cattle. The laws of State Q provide that a disclaimed interest passes in the same manner as if the disclaiming beneficiary had died immediately before the testator's death. Pursuant to A's will, B was to receive both the personal effects and the farm. C was to receive all the shares of stock in Corporation X and Y and D was to receive all the shares of stock in Corporation Z. B disclaimed 2 of the paintings and all the jewelry, C disclaimed 50 shares of Y corporation stock, and D disclaimed 100 shares of Z corporation stock. If the remaining requirements of section 2518(b) and the corresponding regulations are met, each of these disclaimers is a qualified disclaimer for purposes of section 2518(a).

Example (2). Assume the same facts as in example (1) except that D disclaimed the income interest in the shares of Z corporation stock while retaining the remainder interest in such shares. D's disclaimer is not a qualified disclaimer.

Example (3). Assume the same facts as in example (1) except that B disclaimed 300 identified acres of the 500 acres. Assuming that B's disclaimer meets the remaining requirements of section 2518(b), it is a qualified disclaimer.

Example (4). Assume the same facts as in example (1) except that A devised the income from the farm to B for life and the remainder interest to C. B disclaimed 40 percent of the income from the farm. Assuming that it meets the remaining requirements of section 2518(b), B's disclaimer of an undivided portion of the income is a qualified disclaimer.

Example (5). E died on September 13, 1978. Under the provisions of E's will, E's shares of stock in X, Y, and Z corporations were to be transferred to a trust. The trust provides that all income is to be distributed currently to F and G in equal parts until F attains the age of 45 years. At that time the corpus of the trust is to be divided equally between F and G. F disclaimed the income arising from the shares of X stock. G disclaimed 20 percent of G's interest in the trust. F's disclaimer is not a qualified disclaimer because the X stock remains in the trust. If the remaining requirements of section 2518(b) are met, G's disclaimer is a qualified disclaimer.

Example (6). Assume the same facts as in example (5) except that F disclaimed both the income interest and the remainder interest in the shares of X stock. F's disclaimer results in the X stock being transferred out of the trust to G without any direction on F's part. F's disclaimer is a qualified disclaimer under section 2518(b).

Example (7). Assume the same facts as in example (5) except that F is only an income beneficiary of the trust. The X stock remains in the trust after F's disclaimer of the income arising from the shares of X stock. F's disclaimer is not a qualified disclaimer under section 2518.

Example (8). Assume the same facts as in example (5) except that F disclaimed the entire income interest in the trust while retaining the interest F has in corpus. Alternatively, assume that G disclaimed G's entire corpus interest while retaining G's interest in the income from the trust. If the remaining requirements of section 2518(b) are met, either disclaimer will be a qualified disclaimer.

Example (9). G creates an irrevocable trust on May 13, 1980, with H, I, and J as the income beneficiaries. In addition, H, who is the trustee, holds the power to invade corpus for H's health, maintenance, support and happiness and a testamentary power of appointment over the corpus. In the absence of the exercise of the power of appointment, the property passes to I and J in equal shares. H disclaimed the power to invade corpus for H's health, maintenance, support and happiness. Because H retained the testamentary power to appoint the property in the corpus, H's disclaimer is not a qualified disclaimer. If H also disclaimed the testamentary power of appointment, H's disclaimer would have been a qualified disclaimer.

Example (10). E creates an irrevocable trust on May 1, 1980, in which D is the income beneficiary for life. Subject to the trustee's discretion, E's children, A, B, and C, have the right to receive corpus during D's lifetime. The remainder passes to D if D survives A, B, C, and all their issue. D also holds an inter vivos power to appoint the trust corpus to A, B, and C. On September 1, 1980, D disclaimed the remainder interest. D's disclaimer is not a qualified disclaimer because D retained the power to direct the use and enjoyment of corpus during D's life.

Example (11). Under H's will, a trust is created from which W is to receive all of the income for life. The trustee has the power to invade the trust corpus for the support or maintenance of D during the life of W. The trust is to terminate at W's death, at which time the trust property is to be distributed to D. D makes a timely disclaimer of the right to corpus during W's lifetime, but does not disclaim the remainder interest. D's disclaimer is a qualified disclaimer assuming the remaining requirements of section 2518 are met.

Example (12). Under the provisions of G's will A received a life estate in a farm, and was the sole beneficiary of property in the residuary estate. The will also provided that the remainder interest in the farm pass to the residuary estate. Under local law A's interests merged to give A a fee simple in the farm. A made a timely disclaimer of the life estate. A's disclaimer of a partial interest is not a qualified disclaimer under section 2518(a). If A makes a disclaimer of the entire merged interest in the farm or an undivided portion of such merged interest then A would be making a qualified disclaimer assuming all the other requirements of section 2518(b) are met.

Example (13). A, a resident of State Z, dies on September 3, 1980. Under A's will, Blackacre is devised to C for life, then to D for 1 month, remainder to C. Had A not created D's interest, State Z law would have merged C's life estate and the remainder to C to create a fee simple interest in C. Assume that the actuarial value of D's interest is less than 5 percent of the total value of Blackacre on the date of A's death. Further assume that facts and circumstances (particularly the

duration of D's interest) clearly indicate that D's interest was created primarily for the purpose of preventing the merger of C's two interests in Blackacre. D's interest in Blackacre is a nominal interest and C's two interests will, for purposes of making a qualified disclaimer, be considered to have merged. Thus, C cannot make a qualified disclaimer of his remainder while retaining the life estate. C can, however, make a qualified disclaimer of both of these interests entirely or an undivided portion of both.

Example (14). A, a resident of State X, dies on October 12, 1978. Under A's will, Blackacre was devised to B for life, then to C for life if C survives B, remainder to B's estate. On the date of A's death, B and C are both 8 year old grandchildren of A. In addition, C is in good health. The actual value of C's interest is less than 5 percent of the total value of Blackacre on the date of A's death. No facts are present which would indicate that the possibility of C's contingent interest vesting is so remote as to be negligible. Had C's contingent life estate not been created, B's life estate and remainder interests would have merged under local law to give B a fee simple interest in Blackacre. Although C's interest prevents the merger of B's two interests and has an actual value of less than 5 percent, C's interest is not a nominal interest within the meaning of §25.2518-3(a)(1)(iv) because the facts and circumstances do not clearly indicate that the interest was created primarily for the purpose of preventing the merger of other interests in the property. Assuming all the other requirements of section 2518(b) are met, B can make a qualified disclaimer of the remainder while retaining his life estate.

Example (15). In 1981, A transfers $60,000 to a trust created for the benefit of B who was given the income interest for life and who also has a testamentary nongeneral power of appointment over the corpus. A transfers an additional $25,000 to the trust on June 1, 1984. At that time the trust corpus (exclusive of the $25,000 transfer) has a fair market value of $75,000. On January 1, 1985, B disclaims the right to receive income attributable to 25 percent of the corpus

$$\left(\frac{\text{\$25,000 (1984 transfer)}}{\text{\$100,000 (Fair market value of corpus immediately after the 1984 transfer)}} = 25\%.\right)$$

Assuming that no distributions were made to B attributable to the $25,000, B's disclaimer is a qualified disclaimer for purposes of section 2518(a) if all the remaining requirements of section 2518(b) are met.

Example (16). Under the provisions of B's will, A is left an outright cash legacy of $50,000 and has no other interest in B's estate. A timely disclaimer by A of any stated dollar amount is a qualified disclaimer under section 2518(a).

Example (17). D bequeaths his brokerage account to E. The account consists of stocks and bonds and a cash amount earning interest. The total value of the cash and assets in the account on the date of D's death is $100,000. Four months after D's death, E makes a withdrawal of cash from the account for personal use amounting to $40,000. Eight months after D's death, E disclaims $60,000 of the account without specifying any particular assets or cash. The cumulative fair market value of the stocks and bonds in the account on the date of the disclaimer is equal to the value of such stocks and bonds on the date of D's death. The income earned by the account between the date of D's death and the date of E's disclaimer was $20,000. The amount of income earned by the account that E accepted by withdrawing $40,000 from the account prior to the disclaimer is determined by applying the formula set forth in §25.2518-3(c) as follows:

$$\frac{\$40,000}{\$100,000} \times \$20,000 = \$8,000$$

E is considered to have accepted $8,000 of the income earned by the account. If (i) the $60,000 disclaimed by E and the $12,000 of income earned prior to the disclaimer which is attributable to that amount are segregated from the $8,000 of income E is considered to have accepted, (ii) E does not accept any benefits of the $72,000 so segregated, and (iii) the other requirements of section 2518(b) are met, then E's disclaimer of $60,000 from the account is a qualified disclaimer.

Example (18). A bequeathed his residuary estate to B. The residuary estate had a value of $1 million on the date of A's death. Six months later, B disclaimed $200,000 out of this bequest. B received distributions of all the income from the entire estate during the period of administration. When the estate was distributed, B received the entire residuary estate except for $200,000 in cash. B did not make a qualified disclaimer since he accepted the benefits of the $200,000 during the period of estate administration.

Example (19). Assume the same facts as in example (18) except that no income was paid to B and the value of the residuary estate on the date of the disclaimer (including interest earned from date of death) was $1.5 million. In addition, as soon as B's disclaimer was made, the executor of A's estate set aside assets worth $300,000

$$\left(\frac{\$200,000}{\$1,000,000} \times \$1,500,000\right)$$

and the interest earned after the disclaimer on that amount in a separate fund so that none of the income was paid to B. B's disclaimer is a qualified disclaimer under section 2518(a).

Example (20). A bequeathed his residuary estate to B. B disclaims a fractional share of the residuary estate. Any disclaimed property will pass to A's surviving spouse, W. The numerator of the fraction disclaimed is the smallest amount which will allow A's estate to pass free of Federal estate tax and the denominator is the value of the residuary estate. B's disclaimer is a qualified disclaimer.

Example (21). A created a trust on July 1, 1979. The trust provides that all current income is to be distributed equally between B and C for the life of B. B also is given a testamentary general power of appointment over the corpus. If the power is not exercised, the corpus passes to C or C's heirs. B disclaimed the testamentary power to appoint an undivided one-half of the trust corpus. Assuming the remaining requirements of section 2518(b) are satisfied, B's disclaimer is a qualified disclaimer under section 2518(a).

T.D. 8095, 8/6/86, amend T.D. 8540, 6/9/94.

Treasury Dec. 8744, 12/30/97 -- IRC Sec. 2518
Treasury Dec. 8744, 12/30/97
December 30, 1997
Code Sec.2518

Final regs were issued concerning disclaimers, and are intended to clarify disclaimers relating to property interests and powers, and conform certain provisions to court decisions holding them invalid as applied to jointly owned property.

FULL TEXT:

Agency: Internal Revenue Service (IRS), Treasury.

Action: Final Regulations.

Summary: This document contains final regulations relating to the treatment of disclaimers for estate and gift tax purposes. The regulations clarify certain provisions governing the disclaimer of property interests and powers and, in addition, conform the regulations to court decisions holding the current regulation invalid with respect to the disclaimer of joint property interests. The final regulations will affect persons who disclaim property interests, powers, or interests in jointly owned property.

Dates: Effective date: The final regulations are effective December 31, 1997.

Applicability Dates: The amendments to sections 25.2518- 1(a) and 25.2518-2(c)(3) (substituting the statutory language in section 2518(b)(2)(A) "transfer creating the interest," for "taxable transfer") and conforming changes to sections 20.2041-3(d)(6)(i), 20.2046-1, 20.2056(d)-2(a) and (b), 25.2511-1(c)(1), 25.2514-3(c)(5), are applicable for transfers creating the interest or power to be disclaimed made on or after December 31, 1997. The amendments to section 25.2518-2(c)(4) (relating to the disclaimer of joint property and bank accounts) are applicable for disclaimers made on or after December 31, 1997.

For Further Information Contact: James F. Hogan (202) 622- 3090 (not a toll-free number).

Supplementary Information:

Background

On August 21, 1996, the IRS published in the Federal Register (61 FR 43197) a notice of proposed rulemaking (REG-208216- 91) amending the regulations under section 2518. The IRS received comments on the proposed regulations; however, no request for a public hearing was received so no public hearing was held. This document adopts final regulations with respect to this notice of proposed rulemaking.

The proposed regulations substituted the statutory language of section 2518(b)(2)(A), "transfer creating the interest," for "taxable transfer" as the reference point for determining when the 9-month time period for making the disclaimer commences. This change clarifies that the starting point for the 9-month period is not dependent on the actual imposition of a transfer tax at the time that the interest to be disclaimed is created. Comments with respect to the clarification in the proposed regulation supported the change.

Under the proposed regulations, the one-half survivorship interest in jointly-held property that was unilaterally severable could be disclaimed within 9 months of the date of death of the first joint tenant to die. The proposed regulations did not extend the same treatment to joint interests that are not unilaterally severable (e.g., tenancies by the entirety), but the preamble invited comments on this subject.

The comments received unanimously suggested that a surviving joint tenant should be allowed to disclaim, within 9 months of the date of death of the first joint tenant to die, his or her survivorship interest in a tenancy, whether or not that tenancy is unilaterally severable. The comments noted that parties purchasing a residence often do not make an informed decision regarding whether the residence should be held as joint tenants or tenants by the entirety, and generally are not aware that the decision to take title to the property as either joint tenants with right of survivorship or tenants by the entirety will affect the ability to disclaim their interest in the property after the death of the first joint tenant to die.

Accordingly, the final regulations allow the disclaimer of jointly-held property that is not unilaterally severable on the same basis as joint property that is unilaterally severable. Thus, a surviving joint tenant may disclaim the one-half survivorship interest in property that the joint tenant held either in joint tenancy with right of survivorship or in tenancy by the entirety, within 9 months of the death of the first joint tenant to die. The rule also significantly simplifies the disclaimer of jointly-held property, eliminating certain special rules that were dependent on the application of section 2515 to the creation of the tenancy.

The proposed regulations provided rules regarding the disclaimer of interests in joint bank accounts and brokerage accounts, generally recognizing that the creation of such accounts are not completed gifts under certain circumstances. Comments noted that other kinds of investment accounts, such as accounts held at mutual funds, accord the parties rights that are similar to the rights of parties with respect to joint bank accounts and brokerage accounts. Accordingly, the final regulations have expanded the special rule with respect to the disclaimer of jointly-held bank and brokerage accounts to include jointly-held investment accounts such as accounts held at mutual funds.

Special Analyses

It has been determined that this Treasury decision is not a significant regulatory action as defined in EO 12866. Therefore, a regulatory assessment is not required. It also has been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) does not apply to these regulations, and because these regulations do not impose a collection of information on small entities, the Regulatory Flexibility Act (5 U.S.C. chapter 6) does not apply. Pursuant to section 7805(f) of the Internal Revenue Code, the Notice of Proposed Rulemaking preceding these regulations was submitted to the Small Business Administration for comment on their impact on small business.

Drafting Information

The principal author of these regulations is Dale Carlton, Office of the Chief Counsel, IRS. Other personnel from the IRS and Treasury Department participated in their development.

Disclaimer of 100% of Joint Account

DISCLAIMER OF RIGHTS

IN BANK OF AMERICA ACCOUNTS

BY

ADAM MEYERS

WHEREAS:

1. Susan Smith (the "decedent"), late of ----------, New Jersey -----, died testate on November 18, 2006;

2. The Last Will and Testament of the decedent and First Codicil thereto were admitted to Probate and Letters Testamentary thereunder were issued by the Morris County Surrogate's Court to Mark Smith on November 26, 2006;

3. At the time of her death, the decedent maintained a Bank of America Regular Checking Account # ---------- and an Interest Checking Account # ---------- (the "Accounts"), registered in the names of the decedent and Adam Meyers, specifically as "Susan Smith or Adam Meyers" ;

4. At the time of the decedent's death, Adam Meyers was the surviving account-holder, to whom the entire Accounts passed as surviving joint tenant;

5. None of (i) the Accounts, (ii) any interest therein, or (iii) any interest of Adam Meyers in said Accounts or interest therein has been seized or sold under judicial process issued against the Accounts, any interest therein or Adam Meyers;

6. Adam Meyers has not contributed to the Accounts and has neither received nor accepted any interest, or any benefits of any interest, in the Accounts or any interest therein;

7. Adam Meyers has not exercised control as beneficial owner over all or any part of the Accounts or any interest therein;

8. Adam Meyers has not voluntarily assigned, conveyed, encumbered, pledged or transferred, or contracted to assign, convey, encumber, pledge or transfer, all or any part of the Accounts or any interest therein;

9. Adam Meyers has not disclaimed or attempted to disclaim all or any part of the Accounts or any interest therein in fraud of his creditors as set forth in the New Jersey "Uniform Fraudulent Transfer Act" (N.J.S. Section 25:2-20 et seq.);

10. Adam Meyers has not executed a written waiver of his right to disclaim all or any part of the Accounts or any interest therein;

11. Adam Meyers does not wish to receive or accept any interest (or any benefits of any interest) in, or exercise any control over, all or any part of the Accounts to which he would be entitled as surviving joint tenant in the absence of the within disclaimer;

12. Adam Meyers wishes to irrevocably and unqualifiedly disclaim, renounce and forever refuse to accept (i) any and all interests, benefits and rights in and to the Accounts and (ii) any and all interests, benefits and rights he may have in and to any income earned by such Accounts.

NOW, THEREFORE, the undersigned, Adam Meyers, voluntarily and without consideration, hereby irrevocably and unqualifiedly disclaims, renounces and forever refuses to accept any and all interests, benefits and rights in and to (i) one hundred (100%) percent of the aforesaid Bank of America Regular Checking Account # ----------, (ii) one hundred (100%) percent of the aforesaid Bank of America Interest Checking Account # -------- [both of which are referenced in paragraph 3 above] and (iii) all income earned by said Accounts.

IN WITNESS WHEREOF, I, Adam Meyers, have hereunto affixed my hand this day of July, 2007.

Adam Meyers

STATE OF NEW JERSEY)
ss:
COUNTY OF PASSAIC)

BE IT REMEMBERED, that on this day of July, 2007, before me the subscriber, a Notary Public of New Jersey, personally appeared Adam Meyers, who, I am satisfied, is the person mentioned in the within instrument of disclaimer, and thereupon he acknowledged that he signed, sealed and delivered the same as his voluntary act and deed, for the uses and purposes therein expressed.

NOTARY PUBLIC

Receipt of the within instrument of disclaimer is hereby acknowledged this ____ day of July, 2007.

ESTATE OF SUSAN SMITH

By:_____
MARK SMITH, Executor

SHOOBE AND BAKARICH
A Professional Corporation
17 Arcadian Avenue
Paramus, New Jersey 07652-1245
201) 587-9004

Formula Disclaimer of Real Estate after Severance of Joint Tenancy

SHOOBE AND BAKARICH
A Professional Corporation
17 Arcadian Avenue
Paramus, New Jersey 07652-1245
(201) 587-9004

Docket No.: 2005-0000

In the Matter of the Estate of	:	BERGEN COUNTY SURROGATE'S COURT
	:	
EMILY ROBERT	:	DISCLAIMER #3
	:	(Pramus Property)
deceased.	:	
	:	BY MICHAEL ROBERTS

WHEREAS:

1. Emily Roberts, late of ---------, New Jersey, died testate on February 15, 2005;

2. The Last Will and Testament of Emily Roberts was admitted to probate, and Letters Testamentary thereunder were issued to Michael Roberts, by the Bergen County Surrogate's Court on August 22, 2005;

3. Pursuant to subarticle A of Article IV of said Last Will and Testament, Emily Roberts bequeathed the rest, residue and remainder of her estate (her "Residuary Estate") to her husband, Michael Roberts;

4. Pursuant to subarticle D of Article IV of said Last Will and Testament, Emily Roberts granted said Michael Roberts the right to disclaim all or part of her Residuary Estate;

5. A portion of the Residuary Estate of Emily Roberts consists of not more than a fifty percent (50%) interest in certain real property and the buildings and structures located thereon (the "Paramus Property") located in Paramus, New Jersey (commonly known as ----------) (Tax Map: Block ---, Lot --), evidenced by a Deed from ----------, his wife, and ----------, his wife, to Michael Roberts and Emily Roberts, his wife, dated November 1, 1952 and recorded in the Bergen County Clerk's Office on November 15, 1952 in Deed Book ----- at page — et seq.;

6. The Paramus Property is more particularly described as follows:

BEGINNING ---------

7. None of the Paramus Property, any interest therein or any interest of Michael Roberts in said property or interest therein has been seized under judicial process issued against the Paramus Property, any interest therein or Michael Roberts;

8. Michael Roberts (i) has neither received nor accepted any interest, or any benefits of any interest, in the Paramus Property or any interest therein; (ii) has not exercised control as beneficial owner over all or any part of the Paramus Property or any interest therein; (iii) has not voluntarily assigned, conveyed, encumbered, pledged or transferred, or contracted to assign, convey, encumber, pledge or transfer, all or any part of the Paramus Property or any interest therein; (iv) has not disclaimed or attempted to disclaim all or any part of the Paramus Property or any interest therein in fraud of his creditors as set forth in the New Jersey "Uniform Fraudulent Transfer Act" (N.J.S. Section 25:2-20 et seq.); (v) has not executed a written waiver of his right to disclaim all or any part of the Paramus Property or any interest therein;

9. None of the Residuary Estate of Emily Roberts, any interest therein or any interest of Michael Roberts in said Residuary Estate or interest therein has been seized under judicial process issued against the Estate of Emily Roberts, any interest therein or Michael Roberts;

10. Michael Roberts (i) has neither received nor accepted any interest, or any benefits of any interest, in said Residuary Estate or any interest therein; (ii) has not exercised control as beneficial owner over all or any part of said Residuary Estate or any interest therein; (iii) has not voluntarily assigned, conveyed, encumbered, pledged or transferred, or contracted to assign, convey, encumber, pledge or transfer, all or any part of said Residuary Estate or any interest therein; (iv) has not disclaimed or attempted to disclaim all or any part of said Residuary Estate or any interest therein in fraud of his creditors as set forth in the New Jersey "Uniform Fraudulent Transfer Act" (N.J.S. Section 25:2-20 et seq.); (v) has not executed a written waiver of his right to disclaim all or any part of said Residuary Estate or any interest therein;

11. Michael Roberts does not wish to receive or accept any interest (or any benefits of any interest) in, or exercise any control over, a fractional share of the Paramus Property to which he would be entitled as beneficiary of the Residuary Estate of Emily Roberts pursuant to subarticle A of Article IV of her Last Will and Testament in the absence of the within disclaimer;

12. Michael Roberts wishes to irrevocably and unqualifiedly disclaim, renounce and forever refuse to accept, (i) any and all interests, benefits and rights in and to a fractional share of the Paramus Property and (ii) any and all interests, benefits and rights he may have in and to any income earned on such fractional share of said Paramus Property.

NOW, THEREFORE:

The undersigned, Michael Roberts, hereby irrevocably and unqualifiedly disclaims, renounces and forever refuses to accept any and all interests, benefits and rights in and to (i) a fractional share of the aforesaid Paramus Property included in the Residuary Estate of Emily Roberts and (ii) all income earned by such fractional share; the numerator of which fraction is the value of that portion of said Paramus Property, which, when disclaimed, will increase the taxable estate of Emily Roberts, as finally determined for Federal estate tax purposes, to the maximum amount possible without requiring payment of any Federal estate taxes and any New Jersey estate taxes, and the denominator of which fraction is the entire value of said Paramus Property. For purposes of determining the aforesaid fractional share, this Disclaimer # 3 shall be taken into account after taking into account Disclaimer #1 and Disclaimer #2 executed prior to this Disclaimer #3 but on even date herewith.

IN WITNESS WHEREOF, I, Michael Roberts, have hereunto affixed my hand this day of , 2005.

_____

Michael Roberts

STATE OF NEW JERSEY)
) ss.
COUNTY OF BERGEN)

BE IT REMEMBERED, that on this day of , 2005, before me the subscriber, a Notary Public of New Jersey, personally appeared Michael Roberts, who, I am satisfied, is the person mentioned in the within instrument of disclaimer, and thereupon he acknowledged that he signed, sealed and delivered the same as his voluntary act and deed, for the uses and purposes therein expressed.

_____

Receipt of the within instrument of disclaimer is hereby acknowledged this day of , 2005.

ESTATE OF EMILY ROBERTS

By:_____
Michael Roberts, Executor

FL Formula Disclaimer of Share of Residue after Taxes

IN THE CIRCUIT COURT FOR PALM BEACH COUNTY, FLORIDA PROBATE DIVISION

IN RE: ESTATE OF

File No.

RANDY MILES.

Division

Deceased.

QUALIFIED DISCLAIMER BY RESIDUARY BENEFICIARY
MARY MILES

WHEREAS:

1. Randy Miles, late of Boca Raton, Palm Beach County, Florida, died testate on October 121, 2003;

2. Randy Miles' Last Will and Testament dated November 15, 1985 was admitted to probate, and Letters of Administration were issued, by the Circuit Court for Palm Beach County, Florida, on February 2, 2004;

3. Pursuant to Article VI of said Last Will and Testament, Randy Miles bequeathed the rest, residue and remainder of his estate (his "residuary estate") to his four children listed in the preamble of said Will, namely, Frank Miles, Mary Miles, James Miles and John Miles, with each of said children receiving an equal one-quarter (1/4) share of said residuary estate;

4. Mary Miles wishes to disclaim a portion of the one-quarter (1/4) share of said residuary estate to which she would otherwise be entitled, as well as the income earned on said portion;

5. Mary Miles hereby acknowledges, represents and certifies (i) that she is not now insolvent and was not insolvent at the date of death of said Randy Miles; (ii) that she has not made any voluntary assignment or transfer of, a contract to assign or transfer, or an encumbrance of, any interest in her said one-quarter (1/4) share of said residuary estate; (iii) that she has not given a written waiver of her right to disclaim the succession to her one-quarter (1/4) share of said residuary estate, or any interest therein; (iv) that she has not made any sale or other disposition of her one-quarter (1/4) share of said residuary estate, or any interest therein, pursuant to judicial process by her or otherwise; (iv) that she has not accepted her one-quarter (1/4) share of said residuary estate or any interest therein.

6. Mary Miles intends that the disclaimer herein be a qualified disclaimer within the meaning of Section 2518 of the Internal Revenue Code of 1986, as amended.

NOW THEREFORE, the undersigned, Mary Miles, pursuant to Florida Statute 732.801 and Section 2518 of the Internal Revenue Code of 1986, as amended, hereby irrevocably and unqualifiedly disclaims, renounces and forever refuses to accept any and all interests, benefits and rights she has in and to a portion of her said one-quarter (1/4) share of the residuary estate of Randy Miles, such portion being

the excess of the net value of her share over the "tax payment amount" (as hereinafter defined), including all income earned by said portion.

For purposes of the foregoing:

The "tax payment amount" is the total amount of Federal and State estate, inheritance, death, succession and transfer taxes, including interest and penalties thereon, apportioned to, and payable by, Mary Miles with respect to all property passing to her as a result of the death of Randy Miles, whether pursuant to his Last Will and Testament or otherwise.

The values and amounts of assets and deductions, or other items, finally fixed in the Federal estate tax proceeding relating to the Estate of Randy Miles shall be used, whether such values and amounts shall be fixed by agreement, compromise, litigation or otherwise.

IN WITNESS WHEREOF, I, Mary Miles, have hereunto affixed my hand this day of , 2004.

_____
Mary Miles

Signed in the Presence of:

_____
Witness:

_____
Witness:

STATE OF NEW JERSEY)
ss:
COUNTY OF)

BE IT REMEMBERED, that on this day of , 2004, before me, the subscriber, , personally appeared Mary Miles, who is personally known to me or who has produced as identification, and who, I am satisfied, is the person named in the foregoing instrument, and thereupon she acknowledged that she signed, sealed and delivered the same as her voluntary act and deed, for the uses and purposed therein expressed.

_____
Notary Public

Commissioned Name of
Notary Public:

_____

My Commission Expires:_____

RECEIPT AND ACKNOWLEDGMENT

I, FRANK MILES, Personal Representative of the Estate of Randy Miles, hereby acknowledge receipt of the foregoing written Qualified Disclaimer executed by Mary Miles.

In witness whereof, this Receipt and Acknowledgment of Qualified Disclaimer has been executed on the _____ day of _____, 2004.

FRANK MILES, as
Personal Representative of the
Estate of Randy Miles

Signed in the Presence of:

_____
Witness:

_____
Witness:

STATE OF NEW JERSEY)
ss:
COUNTY OF)

I, _____ a Notary Public in and for the aforesaid State and County do hereby certify that FRANK MILES, as Personal Representative of the Estate of Randy Miles, whose name is signed to the above Receipt and Acknowledgment, dated _____, 2004 and hereto annexed, personally appeared before me in said State and County, and the said FRANK MILES, being personally well known to me as (or proved by the oath of credible witnesses to be) the person who executed the said Receipt and Acknowledgment and acknowledged the same to be his act and deed.

GIVEN under my hand this _____ day of _____, 2004.

_____
Notary Public

Commissioned Name of
Notary Public:

_____

My Commission Expires:_____

\

Disclaimer of Survivorship Right after Partial Acceptance

DISCLAIMER OF SURVIVORSHIP RIGHT

IN AMERITRADE ACCOUNT BY

LOIS SMITH

WHEREAS:

1. Leo Smith (the "decedent"), late of ----------, New Jersey -----, died testate on June 15, 2008;

2. The Last Will and Testament of the decedent was admitted to Probate and Letters Testamentary thereunder were issued by the Bergen County Surrogate's Court to Lois Smith on June 27, 2008;

3. At the time of his death, the decedent maintained an Ameritrade Account #---------the "Account"), registered in the names of the decedent and his wife, Lois Smith, as joint tenants with right of survivorship, specifically as "Leo Smith and Lois Smith JT TEN." Included in the Account were various securities and cash or cash equivalents. At the time of death of the decedent, Lois mith was the surviving joint tenant upon whom one-half of the Account devolved by right of survivorship; said one-half interest in the Account being hereinafter sometimes referred to as the "Survivorship Right" of Lois Smith in the Account;

4. None of (i) the Account, (ii) any interest therein, (iii) the Survivorship Right, (iv) any interest therein, or (v) any interest of Lois Smith in any of the property or interests listed in clauses (i) through (iv) hereof, has been seized or sold under judicial process issued against the Account, any interest therein, the Survivorship Right, any interest therein or Lois Smith;

5. Lois Smith has received and accepted $90,000 from the Account, but said $90,000 does not exceed one-half of the cash or cash equivalents portion of the Account and, therefore, the assets accepted are treated as coming from that portion of the Account which is not included in the Survivorship Right and which is not being disclaimed by Lois Smith.

6. Lois Smith has neither received nor accepted any interest, or any benefits of any interest, in the Survivorship Right or any interest therein;

7. Lois Smith has not exercised control as beneficial owner over all or any part of the Survivorship Right or any interest therein;

8. Lois Smith has not voluntarily assigned, conveyed, encumbered, pledged or transferred, or contracted to assign, convey, encumber, pledge or transfer, all or any part of the Account, any interest therein, the Survivorship Right or any interest therein;

9. Lois Smith has not disclaimed or attempted to disclaim all or any part of the Account, any interest therein, the Survivorship Right or any interest therein in fraud of her creditors as set forth in the New Jersey "Uniform Fraudulent Transfer Act" (N.J.S. Section 25:2-20 et seq.);

10. Lois Smith has not executed a written waiver of her right to disclaim all or any part of the Account, any interest therein, the Survivorship Right or any interest therein;

11 Lois Smith does not wish to receive or accept any interest (or any benefits of any interest) in, or exercise any control over, all or any part of the Survivorship Right to which she would be entitled as surviving joint tenant in the absence of the within disclaimer;

12. Lois Smith wishes to irrevocably and unqualifiedly disclaim, renounce and forever refuse to accept, (i) any and all interests, benefits and rights in and to the Survivorship Right and (ii) any and all interests, benefits and rights she may have in and to any income earned by said Survivorship Right.

NOW, THEREFORE, the undersigned, Lois Smith, voluntarily and without consideration, hereby irrevocably and unqualifiedly disclaims, renounces and forever refuses to accept any and all interests, benefits and rights in and to (i) the Survivorship Right in the aforesaid Ameritrade Account #--------- referred to in paragraph 3 hereof and (ii) all income earned by said Survivorship Right; which Survivorship Right is understood by Lois Smith to be equal to one-half of the assets in said Account as of the date of decedent's death and one-half of the income earned by said assets since such date.

IN WITNESS WHEREOF, I, Lois Smith, have hereunto affixed my hand this 15th day of July, 2008.

Lois Smith

STATE OF NEW JERSEY)
ss:
COUNTY OF BERGEN)

BE IT REMEMBERED, that on this 15th day of July, 2008, before me the subscriber, a Notary Public of New Jersey, personally appeared Lois Smith, who, I am satisfied, is the person mentioned in the within instrument of disclaimer, and thereupon she acknowledged that she signed, sealed and delivered the same as her voluntary act and deed, for the uses and purposes therein expressed.

Receipt of the within instrument of disclaimer is hereby acknowledged this 15th day of July, 2008.

ESTATE OF LEO SMITH

By:_____
Lois Smith, Executor

SHOOBE AND BAKARICH
A Professional Corporation
17 Arcadian Avenue
Paramus, New Jersey 07652-1245
201) 587-9004

Disclaimer of Intestate Estate with Real Property

SHOOBE AND BAKARICH
A Professional Corporation
17 Arcadian Avenue
Paramus, New Jersey 07652-1245
(201) 587-9004

In the Matter of the Estate of	:	MORRIS COUNTY SURROGATE'S COURT
KARL FOSTER,	:	DOCKET NO: 1900000
deceased.	:	DISCLAIMER
	:	BY PAMELA FOSTER

WHEREAS:

1. Karl Foster (the "decedent"), late of ----------, New Jersey, died intestate on July 1, 2009;

2. Letters of Administration of the decedent's estate were issued by the Morris County Surrogate's Court to Pamela Foster on August 1, 2009;

3. The decedent was not survived by a spouse, any descendant or his father, but was survived by his mother, Pamela Foster ("Pamela");

4. Pursuant to N.J.S. 3B:5-4b, the decedent's entire intestate estate passes to his mother, Pamela;

5. A portion of the aforesaid intestate estate consists of a one hundred (100%) percent interest in a certain condominium unit (P-12) (the "Property") located at ----------, New Jersey (Tax Map: Lot -------, Block -----), evidenced by a Deed from Pamela Foster to Karl Foster, dated October 21, 2008, and recorded in the Morris County Clerk's Office on November 8, 2008 in Deed Book D-----, at page --- et seq., which Property is more particularly described as follows:

> KNOWN and designated as Condominium Unit No. P-12, Building No. P. including the improvements and appurtenances thereto, in fee simple, in accordance with the provisions of a certain Master Deed of ----------, A CONDOMINIUM, dated April 28, 1985, and recorded May 17, 1985, in the Office of the Register of Morris County, in Deed Book D 121, Page 307, et seq., which Unit has been more specifically defined in the aforementioned Master Deed, subject to the restrictions, declarations, covenants, easements, limitations, agreements, rights, privileges, obligations and charges granted, created, reserved and imposed by the aforesaid Master Deed, the Certification of

incorporation of ---------- North Condominium Association Corp., its By-Laws, the Rules and Regulations of the Association, any Exhibits attached thereto, and any amendments thereof, and is hereby conveyed in conformity with R.S. 46:8B-10, and includes a 1.3% undivided Percentage Interest in the Common Elements of the aforesaid Condominium pursuant to the Master Deed, and includes a perpetual and exclusive license to use Parking Space No. P-12, and Storage Bin No. P-12, as designated on Exhibits annexed to the Master Deed.

For information purposes:

Being known as Lot --------, Block ----- on the current tax Assessment map of ----------, Morris County, NJ

Being commonly known as ----------, New Jersey;

6. Pursuant to N.J.S. 3B:9-2a, Pamela has the right to disclaim all or any part of the decedent's intestate estate;

7. None of (i) the Property, (ii) any interest therein, (iii) the decedent's intestate estate, (iv) any interest therein, or (v) any interest of Pamela in any of the property or interests listed in clauses (i) through (iv) hereof, has been seized under judicial process issued against the Property, any interest therein, the decedent's intestate estate, any interest therein or Pamela ;

8. Pamela has not accepted any interest, or any benefits of any interest, in any of (i) the Property, (ii) any interest therein, (iii) the decedent's intestate estate or (iv) any interest therein;

9. Pamela has not exercised control as beneficial owner over all or any part of the (i) the Property, (ii) any interest therein, (iii) the decedent's intestate estate or (iv) any interest therein;

10. Pamela has not voluntarily assigned, conveyed, encumbered, pledged or transferred, or contracted to assign, convey, encumber, pledge or transfer, all or any part of (i) the Property, (ii) any interest therein, (iii) the decedent's intestate estate or (iv) any interest therein;

11. Pamela has not disclaimed or attempted to disclaim all or any part of (i) the Property, (ii) any interest therein, (iii) the decedent's intestate estate or (iv) any interest therein, in fraud of her creditors as set forth in the New Jersey "Uniform Fraudulent Transfer Act" (N.J.S. Section 25:2-20 et seq.);

12. Pamela has not executed a written waiver of her right to disclaim all or any part of (i) the Property, (ii) any interest therein, (iii) the decedent's intestate estate or (iv) any interest therein;

13. Pamela is not now insolvent nor was she insolvent at the date of the decedent's death;

14. Pamela does not wish to receive or accept any interest (or any benefits of any interest) in, or exercise any control over, (i) the decedent's entire intestate estate and (ii) the Property included therein, to which she would otherwise be entitled as the sole distributee thereof under the New Jersey law of intestate succession (N.J.S. 3B:5-1 et seq.);

15. Pamela wishes to irrevocably and unqualifiedly disclaim, renounce and forever refuse to accept, (i) any and all interests, benefits and rights in and to the decedent's entire intestate estate and the Property included therein, and (ii) any and all interests, benefits and rights she may have in and to any income earned by the decedent's intestate estate and the Property included therein.

NOW, THEREFORE, the undersigned, Pamela Foster, voluntarily and without consideration, hereby irrevocably and unqualifiedly disclaims, renounces and forever refuses to accept any and all interests, benefits and rights in and to (i) the decedent's entire intestate estate and the Property (described in paragraph 5 hereof) included therein and (ii) all income earned by the decedent's entire intestate estate and the Property included therein.

IN WITNESS WHEREOF, I, Pamela Foster , have hereunto affixed my hand this day of October, 2009.

_____

Pamela Foster

STATE OF NEW JERSEY)
ss:
COUNTY OF BERGEN)

BE IT REMEMBERED, that on this day of October, 2009, before me the subscriber, , personally appeared Pamela Foster, who, I am satisfied, is the person mentioned in the within instrument of disclaimer, and thereupon she acknowledged that she signed, sealed and delivered the same as her voluntary act and deed, for the uses and purposes therein expressed.

Receipt of the within instrument of disclaimer is hereby acknowledged this day of October, 2009.

ESTATE OF KARL FOSTER

By:
Pamela Foster , Administrator

Disclaimer by Executor: Verified Complaint

SHOOBE AND BAKARICH
A PROFESSIONAL CORPORATION
17 Arcadian Avenue
Paramus, NJ 07652-1245
(201) 587-9004

IN THE MATTER OF THE ESTATE OF WILLIAM JONES, DECEASED	SUPERIOR COURT OF NEW JERSEY CHANCERY DIVISION; PROBATE PART BERGEN COUNTY DOCKET NO. **CIVIL ACTION** **VERIFIED COMPLAINT**

Plaintiffs, Arthur Brown, residing at ---------, New Jersey -----, and Peter Brown, residing at ---------, New Jersey -----, say:

1. Mary Jones, late of --------, New Jersey -----, died testate on November 22, 2003, leaving a Last Will and Testament dated February 13, 1992. A true copy of Mary's Will is attached hereto as Exhibit "A".

2. Mary's Will was admitted to probate by the Bergen County Surrogate's Court on January 22, 2004, and Arthur Brown and Peter Brown were appointed executors of Mary's estate.

3. William Jones ("William") died on December 26, 2003, leaving a Last Will and Testament dated February 3, 1992. A true copy of William 's Will is attached hereto as Exhibit "B".

4. William 's Will was admitted to probate by the Bergen County Surrogate's Court on January 22, 2004,and plaintiffs, Arthur Brown and Peter Brown, were appointed as executors of William 's estate on that date. A true copy of a Certificate of Letters Testamentary evidencing the plaintiffs' appointment is attached hereto as Exhibit "C".

5. This complaint is brought on behalf of the Estate of William Jones to disclaim William 's fifty (50%) percent survivorship interest in a certain brokerage account registered in the joint names of Mary

and William, so that said disclaimed survivorship interest will become a part of Mary's probate estate and pass pursuant to the terms of her Will.

6. Specifically, the Estate of William seeks to disclaim his fifty (50%) percent survivorship interest in the Merrill Lynch CMA Account #----- ("Account"), which had an approximate value on the date of Mary's death of $ 307,850.

7. Pursuant to Article Fifth of Mary's Will, since William did not survive her by sixty days, her probate estate is distributed as follows:

(a) The sum of $5,000 to her daughter-in-law, Geraldine Jones (wife of Mary's son, Douglas Jones), who survived Mary;

(b) The sum of $5,000 to Mary's daughter-in-law, Joyce Jones (wife of Mary's son, James Jones), who survived Mary;

(c) Fifty (50%) percent of the residue of Mary's estate to her son, Douglas Jones ("Douglas"), who survived Mary; and

(d) Fifty (50%) percent of the residue of Mary's estate to her son James Jones ("James"), who survived Mary.

8. Article Fifth of William's Will contains provisions identical to those in Article Fifth of Mary's Will regarding disposition of William's estate as a result of Mary having predeceased William .

9. There are sufficient assets in Mary's probate estate to pay all liabilities and the creditors of her estate. It is anticipated that there also will be sufficient assets in Mary's probate estate, after payment of said liabilities and creditors, to pay the $5,000 bequest to each of Mary's daughters-in-law. If that is the case, then due to the identical Wills of Mary and William, the portion (survivorship interest) of the Account subject to the disclaimer herein will pass under Mary's Will to the same beneficiaries, Douglas and James, who would receive such asset pursuant to William 's Will absent said disclaimer. If there will not be sufficient assets in Mary's probate estate, after payment of said liabilities and creditors, to pay the $5,000 bequest to each of Mary's daughters-in-law in full, then the result of the disclaimer will enable the

$5,000 bequests to be paid in full and will reduce slightly (by approximately $500) the value of the assets that would have passed to Douglas and James had the disclaimer herein not been made.

10. The purpose of the disclaimer herein is to reduce the amount of New Jersey Estate Taxes that would be payable by William's estate in the absence of said disclaimer.

11. The New Jersey Estate Tax is imposed by Chapter 38 of Title 54 of the New Jersey Statutes (N.J.S. 54:38-1 through 54:38-16). It is imposed upon the transfer of the estate of every resident decedent dying after December 31, 2001 which would have been subject to an estate tax payable to the United States under the provisions of the Federal Internal Revenue Code of 1986 in effect on December 31, 2001 [N.J.S. 54:38-1-a-(2)A]. Pursuant to the provisions of the Internal Revenue Code of 1986 in effect on December 31, 2001, estate tax would be payable to the United States if the taxable estate of a decedent exceeded the applicable exclusion amount ($675,000) [I.R.C. 2010(c)]. Consequently, if the taxable estate of a New Jersey decedent dying after December 31, 2001 exceeds $675,000, then a New Jersey Estate Tax would be payable.

12. The taxable estate of Mary without the disclaimer herein is approximately $10,000. Therefore, no New Jersey Estate Tax is payable by her estate.

13. The taxable estate of William without the disclaimer herein is approximately $819,000, consisting of a residence, the Merrill Lynch CMA account and miscellaneous assets. A taxable estate of that size will be required to pay a New Jersey Estate Tax of $ 23,712.

14. As a result of the disclaimer herein, the taxable estate of William will be reduced by the value of the fifty (50%) percent survivorship interest in the Account being disclaimed ($153,925), leaving a taxable estate of approximately $665,075, and the taxable estate of Mary will be increased by $153,925 to approximately $163,925. Since both taxable estates would be below the $675,000 threshold for subjecting an estate to the New Jersey Estate Tax, no New Jersey Estate Tax would be payable by either estate as a result of the disclaimer herein.

15. Using disclaimers for purposes of tax savings has been approved by the New Jersey Courts. This issue was first addressed in In The Matter of the Estate of Fay Horowitz, 220 N.J. Super. 300 (Law Div. 1987). The Court was faced with the question of whether a disclaimer by a class D beneficiary to allow monies to pass to a class A beneficiary would be permitted. The Court had no problem allowing a disclaimer for the purpose of lowering or defeating the New Jersey Inheritance Tax which otherwise

would have been imposed on the transfer. See, Wells v. Taxation Division Director, 3 N.J. Tax 420 (Tax Ct. 1981). However, the disclaimer would have had the effect of redirecting assets to a beneficiary whereby the minor beneficiaries named in the Will might not ever receive their planned inheritance. Therefore, the Court denied the requested relief. Conversely, the Court in In The Matter of the Estate of Edna Wickham Shock, 226 N. J. Super 67 (Law Div. 1988), permitted the filing of the disclaimer under facts very similar to the case presently before the Court. The decedent, Henry G. Wickham, established a "Marital Trust" for his wife, Mary, consisting of 50% of the value of his adjusted gross estate. Mrs. Wickham disclaimed that portion of the Marital Trust which exceeded $150,000. Upon the filing of the disclaimer, the portion of the residuary estate so disclaimed would then be distributed in unequal shares to the decedent's children. One of those children, Edna Wickham Shock, was the devisee of a 40% interest in the estate. She survived her father by only ten (10) days. Her estate was substantial, being valued in excess of $3,600,000. The executor of her estate sought permission to disclaim the entire 40% residuary devise from her father's estate. Her estate would realize substantial tax savings. Since the interests of certain minor beneficiaries who were affected thereby were fully protected, the Court determined that there was no reason to deny the relief sought simply because taxes would be saved, and granted the requested relief.

16. The disclaimer of William 's fifty (50%) percent survivorship interest in the Account is governed by Chapter 2E (Disclaimer of Inter Vivos Transfers) of Title 46 of the New Jersey Statutes (N.J.S. 46:2E-1 through 46:2E-13).

17. Pursuant to N.J.S. 46:2E-5, the executors of William's estate may only disclaim his fifty (50%) percent survivorship interest in the Account if certain conditions are met, namely:

(a) The personal representative (the plaintiffs herein) has been authorized to disclaim by the Court having jurisdiction of William's estate; and

(b) The Court finds that the disclaimer is advisable and will not materially prejudice the rights of creditors, devisees, heirs or beneficiaries of William.

18. William did not disclaim any portion of the Account before his death.

19. Neither the Account, nor any interest therein, has been seized under judicial process issued against Mary Jones or William Jones or the estate of either of them.

20. None of (a) William Jones, (b) the Estate of William Jones and (c) Arthur Brown and Peter Brown as executors of said estate (i) have received or accepted the aforesaid survivorship right in the Account, or any interest therein, or any benefits of any interest therein, (ii) have exercised control as beneficial owner over all or any part of said survivorship right, or any interest therein; (iii) have voluntarily transferred or encumbered, or contracted to transfer or encumber, all or any part of said survivorship right, or any interest therein; (iv) have disclaimed or attempted to disclaim all or any part of said survivorship right, or any interest therein, in fraud of creditors as set forth in the New Jersey "Uniform Fraudulent Transfer Act" (N.J.S. 25:2-20 et seq.) and (v) have not executed a written waiver of the right to disclaim said survivorship right, or any interest therein.

21. The proposed form of disclaimer of the Estate of William Jones, to be delivered to the executors of the Estate of Mary Jones and filed with the Bergen County's Surrogate is attached hereto as Exhibit "D".

22. The names and addresses of all parties interested in this matter, and their interests therein, are as follows:

Douglas Jones	Beneficiary of bequest of one-half of residue of estate of each of Mary Jones and William Jones
James Jones	Beneficiary of bequest of one-half of residue of estate of each of Mary Jones and William Jones
Joyce Jones	Beneficiary of bequest of $5,000 under each of Will of Mary Jones and Will of William Jones
Geraldine Jones	Beneficiary of bequest of $5,000 under each of Will of Mary Jones and Will of William Jones
Arthur Brown	Executor of Estate of Mary Jones Executor of Estate of William Jones
Peter Brown	Executor of Estate of Mary Jones Executor of Estate of William Jones

All of said interested parties are adults and competent.

WHEREFORE, the plaintiffs apply to the Court for an order authorizing them to sign and file the disclaimer attached to this Complaint.

SHOOBE AND BAKARICH,
A PROFESSIONAL CORPORATION
Attorneys for Plaintiffs,
Arthur Brown and Peter Brown,
Executors of the Estate of William Jones

By_____
PETER J. BAKARICH, JR., ESQ.

Dated: _____

STATE OF NEW JERSEY)
ss:
COUNTY OF BERGEN)

Arthur Brown, executor of the Estate of William Jones, of full age, being duly sworn according to law and upon his oath, deposes and says:

1. I am one the plaintiffs in the foregoing Complaint.

2. The allegations of the Complaint are true based on my personal knowledge and to the best of my knowledge, information and belief.

_____
Arthur Brown

Sworn to and subscribed
before me this ____ day
of _____, 2004

_____
NOTARY PUBLIC

STATE OF NEW JERSEY)
ss:
COUNTY OF BERGEN)

Peter Brown, executor of the Estate of William Jones, of full age, being dually sworn according to law and upon his oath, deposes and says:

1. I am one the plaintiffs in the foregoing Complaint.

2. The allegations of the Complaint are true based on my personal knowledge and to the best of my knowledge, information and belief.

_____
PETER G. Brown

Sworn to and subscribed
before me this ____ day
of _____, 2004

_____
NOTARY PUBLIC

Disclaimer by executor pursuant to Court Order

SHOOBE AND BAKARICH
A PROFESSIONAL CORPORATION
17 Arcadian Avenue
Paramus, NJ 07652-1245
(201) 587-9004

IN THE MATTER OF THE ESTATE OF WALTER S. LEWIS, DECEASED	SUPERIOR COURT OF NEW JERSEY CHANCERY DIVISION; PROBATE PART BERGEN COUNTY DOCKET NO. **CIVIL ACTION** **DISCLAIMER OF SURVIVORSHIP RIGHT IN BROKERAGE ACCOUNT**

WHEREAS:

1. Mary Jones, late of ----------, New Jersey -----, died testate on December 11, 2003;

The Last Will and Testament of Mary Jones was admitted to probate, and Letters Testamentary thereunder were issued to Arthur Brown and Peter Brown, by the Bergen County Surrogate's Court on January 15, 2004;

At the time of her death, Mary Jones maintained Merrill Lynch CMA account #------- ("Account"), registered in the joint names of Mary Jones and her husband, William Jones. At the time of death of Mary Jones, her husband, William Jones, was the surviving joint tenant upon whom one-half of the Account devolved by right of survivorship; said one-half interest in the Account being hereinafter sometimes referred to as the "survivorship right" of William Jones in the Account;

William Jones, late of ----------, New Jersey -----, died testate on December 26, 2003.

The Last Will and Testament of William Jones was admitted to probate, and Letters Testamentary thereunder were issued to Arthur Brown and Peter Brown, by the Bergen County Surrogate's Court on January 22, 2004;

Neither the Account, nor any interest therein, has been seized under judicial process issued against Mary Jones or William Jones or the estates of either of them;

None of (a) William Jones, (b) the Estate of William Jones and (c) Arthur Brown and Peter Brown as executors of said estate (i) have received or accepted the aforesaid survivorship right in the Account, or any interest therein, or any benefits of any interest therein, (ii) have exercised control as beneficial owner over all or any part of said survivorship right, or any interest therein; (iii) have voluntarily transferred or encumbered, or contracted to transfer or encumber, all or any part of said survivorship right, or any interest therein; (iv) have disclaimed or attempted to disclaim all or any part of said survivorship right, or any interest therein, in fraud of creditors as set forth in the New Jersey "Uniform Fraudulent Transfer Act" (N.J.S. 25:2-20 et seq.) and (v) have not executed a written waiver of the right to disclaim said survivorship right, or any interest therein;

The Estate of William Jones does not wish to receive or accept any interest, or any benefits of any interest, in the aforesaid survivorship right in the Account, or exercise any control over all or any part of said survivorship right, to which William Jones or his estate would otherwise be entitled as surviving joint tenant in the absence of the within disclaimer;

The Estate of William Jones wishes to irrevocably and unqualifiedly disclaim, renounce and forever refuse to accept, any and all interests, benefits and rights in and to the aforesaid survivorship right in the Account as surviving joint tenant, including any and all interests, benefits and rights William Jones or his estate may have in and to any income earned on the portion (one-half) of the Account represented by said survivorship right;

NOW, THEREFORE, the undersigned, Arthur Brown and Peter Brown, as executors of the Estate of William Jones, hereby irrevocably and unqualifiedly disclaim, renounce and forever refuse to accept (i) any and all interests, benefits and rights in and to the survivorship right of William Jones and his estate to receive one-half of the Account referred to in paragraph 3 hereof and (ii) any and all interests, benefits and rights in and to any income earned on the portion (one-half) of the Account representing said survivorship right therein.

IN WITNESS WHEREOF, we, Arthur Brown and Peter Brown, have hereunto affixed our hands this _____day of _____2004.

ESTATE OF WILLIAM JONES

By _____
ARTHUR BROWN, EXECUTOR

By _____
PETER BROWN, EXECUTOR

STATE OF NEW JERSEY)
ss:
COUNTY OF BERGEN)

BE IT REMEMBERED, that on this day of , 2004, before me the subscriber, a Notary Public of New Jersey, personally appeared Arthur Brown and Peter Brown, who, I am satisfied, are the persons who have signed the within instrument, and thereupon each of them acknowledged that he signed, sealed and delivered the same as his voluntary act and deed, for the uses and purposes therein expressed.

_____

Receipt of the within instrument of disclaimer is hereby acknowledged this _____day of _____ 2004.

ESTATE OF MARY JONES

By_____
ARTHUR BROWN, EXECUTOR

By_____
PETER BROWN, EXECUTOR

NJ Disclaimer by a Minor (NY resident) of Residuary and Intestate Estates

SHOOBE AND BAKARICH
A Professional Corporation
17 Arcadian Avenue
Paramus, New Jersey 07652-1245
(201) 587-9004

	:	BERGEN COUNTY SURROGATE'S COURT
In the Matter of the Estate of	:	RENUNCIATION AND
DAVID COOPER,	:	DISCLAIMER BY
deceased.	:	MARY COOPER
	:	

WHEREAS:

1. David Cooper (the "decedent"), late of ----------, New Jersey, died testate on September 1, 2002;

2. The Last Will and Testament of the decedent was admitted to Probate and Letters Testamentary thereunder were issued by the Bergen County Surrogate's Court to Lois Cooper on September 24, 2002;

3. Pursuant to subarticle (A) of Article THIRD of said Last Will and Testament, the decedent bequeathed ten (10%) percent of his estate (undiminished by debts, expenses and taxes) to his wife, Lois Cooper ("Lois"), if she survives him for 90 days;

4. Lois survived the decedent by said 90 days;

5. Pursuant to subarticle B of Article THIRD of said Last Will and Testament, the decedent bequeathed the balance of his estate after payment of debts, expenses and taxes (his "residuary estate") to his two children, Karl Cooper and Grace Cooper, in equal shares;

6. Pursuant to the second paragraph of subarticle (B) of Article THIRD of said Last Will and Testament, the share of decedent's residuary estate passing to a child of his who is deceased passes to said deceased child's children;

7. Mary Cooper is the sole child of the decedent's child, Karl Cooper, who survived the decedent;

8. Decedent's other child, Grace Cooper, who also survived the decedent, has no children;

9. Pursuant to N.J.S. 3B:5-4, any portion of decedent's estate passing by intestate succession (his "intestate estate") would pass to Mary Cooper if her father, Karl Cooper, were deceased or, pursuant to N.J.S. 3B:9-8, is treated as if he had predeceased the decedent by virtue of disclaimer by said Karl Cooper ;

10. Should Karl Cooper disclaim a portion of the decedent's residuary estate passing to him, such disclaimed portion would pass to Mary Cooper pursuant to the terms of said second paragraph of said subarticle (B) of the Will or pursuant to intestate succession.

11. Should Grace Cooper disclaim a portion of the decedent's residuary estate passing to her, such disclaimed portion would pass first to Karl Cooper , and if he also should disclaim said portion, it would then pass to Mary Cooper pursuant to the terms of said second paragraph of said subarticle (B) of the Will or pursuant to intestate succession.

12. None of (i) the aforesaid residuary estate, (ii) any interest therein, (iii) any interest of Mary Cooper in said residuary estate, (iv) any portion of decedent's estate which may pass by intestate succession ("intestate estate"), (v) any interest in said intestate estate or (vi) any interest of Mary Cooper in said intestate estate has been seized under judicial process issued against either of them;

13. Mary Cooper (i) has neither received nor accepted the aforesaid residuary and intestate estates, or any interest therein, or any benefit of any interest therein; (ii) has not exercised control as beneficial owner over all or any part of said residuary and intestate estates, or any interest therein; (iii) has not voluntarily transferred or encumbered, or contracted to transfer or encumber, all or any part of said residuary and intestate estates, or any interest therein; (iv) has not disclaimed or attempted to disclaim all or any part of said residuary and intestate estates, or any interest therein, in fraud of her creditors as set forth in the New Jersey "Uniform Fraudulent Transfer Act" (N.J.S. Section 25:2-20 et seq.); and (v) has not executed a written waiver of her right to disclaim said residuary and intestate estates, or any interest therein;

14. Mary Cooper does not wish to receive or accept any interest, or any benefits of any interest, in the aforesaid residuary and intestate estates, nor does she wish to exercise any control over said residuary and intestate estates, to which she would otherwise be entitled as devisee under the aforesaid Last Will and Testament of the decedent or as an heir of the decedent, in the absence of the within disclaimer;

15. Mary Cooper wishes to irrevocably and unqualifiedly disclaim, renounce and forever refuse to accept, any and all interests, benefits and rights in and to the aforesaid residuary and intestate estates, including any and all interests, benefits and rights she may have in and to any income earned by said residuary and intestate estates;

NOW, THEREFORE, the undersigned, Mary Cooper, hereby irrevocably and unqualifiedly disclaims, renounces and forever refuses to accept any and all of her interests, benefits and rights in and to (i) the aforesaid residuary estate of David Cooper and (ii) all income earned by said residuary estate.

Should any portion of decedent's intestate estate pass to Mary Cooper by intestate succession as a result of the aforesaid disclaimer or any other disclaimer by any other person, or otherwise, then the

undersigned, Mary Cooper, hereby irrevocably and unqualifiedly, disclaims, renounces and forever refuses to accept any and all of her interests, benefits and rights in and to (i) the aforesaid intestate estate and (ii) all income earned by said intestate estate.

Mary Cooper intends the foregoing to constitute a qualified disclaimer pursuant to Section 2518 of the Internal Revenue Code of 1986, as amended, and requests the Bergen County Surrogate's Court to accept and file this qualified disclaimer and renunciation.

IN WITNESS WHEREOF, Mary Cooper, through the guardians of her property, Karl Cooper and Norma Cooper , has hereunto affixed her hand, this day of , 2003.

_____

Norma Cooper
Guardian of the Property
of Mary Cooper, a minor

_____

Karl Cooper
Guardian of the Property
of Mary Cooper, a minor

STATE OF NEW YORK)
ss:
COUNTY OF ROCKLAND)

BE IT REMEMBERED, that on this day of , 2003, before me the subscriber, a Notary Public of New York, personally appeared Karl Cooper and Norma Cooper, who, I am satisfied, are the persons mentioned in the within instrument of disclaimer, and thereupon each of them acknowledged that he or she signed, sealed and delivered the same as his or her voluntary act and deed, for the uses and purposes therein expressed.

Notary Public State of New York

Receipt of the within instrument of disclaimer is hereby acknowledged this day of , 2003.

ESTATE OF DAVID COOPER

By:_____
LOIS COOPER, Executor

SHOOBE AND BAKARICH
A Professional Corporation
17 Arcadian Avenue
Paramus, New Jersey 07652-1245
(201) 587-9004

	:	BERGEN COUNTY SURROGATE'S COURT
In the Matter of the Estate of	:	AFFIDAVIT IN SUPPORT OF
David Cooper,	:	RENUNCIATION AND
deceased.	:	DISCLAIMER

STATE OF NEW YORK)
ss:
COUNTY OF ROCKLAND)

Karl Cooper and Norma Cooper , being duly sworn, depose and say:

1. We are each over eighteen years of age and reside at ----------, New York.

2. We have executed simultaneously herewith an irrevocable renunciation and disclaimer of the interest of Mary Cooper, a minor, in the assets and Estate of David Cooper.

3. We hereby affirm that we and Mary Cooper have not received and will not receive any consideration in money or moneys worth for such renunciation and disclaimer from any person or persons whose interest is created or accelerated by reason thereof.

Norma Cooper

Karl Cooper

Sworn to before me this _____ day of _____, 2003.

Notary Public

SHOOBE AND BAKARICH
A Professional Corporation
17 Arcadian Avenue
Paramus, New Jersey 07652-1245
(201) 587-9004

	:	BERGEN COUNTY SURROGATE'S COURT
In the Matter of the Estate of	:	
David Cooper,	:	NOTICE OF RENUNCIATION AND DISCLAIMER
deceased.	:	

PLEASE TAKE NOTICE that the renunciation and disclaimer of Mary Cooper, dated the _____ day of _____, 2003, and the affidavit in support thereof, sworn to the _____ day of _____, 2003, copies of which are annexed hereto, whereby Mary Cooper irrevocably renounces, disclaims and forever refuses to accept any interest in the assets and Estate of David Cooper, have been duly filed with the Bergen County Surrogate's Court, within nine months after the death of said David Cooper.

Dated: _____, 2003

_____
PETER J. BAKARICH, JR. ESQ.
Attorney for:
Karl Cooper and
Norma Cooper
As Guardians of the property of
Mary Cooper, a minor

SHOOBE AND BAKARICH, P.C.
17 Arcadian Avenue
Paramus, New Jersey 07652-1245
(201) 587-9004

SHOOBE AND BAKARICH
A Professional Corporation
17 Arcadian Avenue
Paramus, New Jersey 07652-1245
(201) 587-9004

:	BERGEN COUNTY SURROGATE'S COURT
In the Matter of the Estate of :	
David Cooper, :	ACKNOWLEDGMENT OF RECEIPT OF RENUNCIATION
deceased. :	AND DISCLAIMER
:	

STATE OF NEW JERSEY)
ss:
COUNTY OF BERGEN)

Lois Cooper, being duly sworn, deposes and says:

1. I am over eighteen years of age and I reside at ----------, New Jersey.

2. I am the executor of the above-captioned estate, duly appointed by the Bergen County Surrogate's Court.

3. I acknowledge receiving on _____, in my capacity as executor of the estate, a copy of each of (i) the Notice of Renunciation and Disclaimer by Mary Cooper , (ii) the Renunciation and Disclaimer by Mary Cooper executed by Karl Cooper and Norma Cooper, her guardians, on _____, and (iii) the Affidavit in Support of Renunciation and Disclaimer by Mary Cooper executed by said guardians on _____.

_____
LOIS COOPER

Sworn to before me
this day of , 2003

_____
Notary Public

FL Disclaimer of Power by Executor

DISCLAIMER BY KATHY BOYLE

AS PERSONAL REPRESENTATIVE

OF THE ESTATE OF ANDREW BOYLE

WHEREAS:

1. Andrew Boyle ("Andrew"), late of --------, Boca Raton, Florida, died testate on March 10, 2009; and

2. The Last Will and Testament ("Will") of Andrew dated March 1, 2004 was admitted to probate and Kathy Boyle ("Kathy") was appointed personal representative of Andrew's estate by order of the Circuit Court for Broward County, Florida, Probate Division, on July 3, 2009; and

3. Andrew, pursuant to Article IV of his Will, bequeathed the residue of his estate to the Trustee of the Andrew Boyle Revocable Trust under Agreement dated March 1, 2004 by and between Andrew as Grantor and as initial Trustee; and

4. By Agreement dated September 12, 2009, Kathy Boyle and Victor Boyle have accepted their appointment as successor Trustees of the Andrew Boyle Revocable Trust, including, but not limited to, the separate trust created for the benefit of Kathy under Article IV of said Revocable Trust; and

5. Pursuant to Section 2056(b)(7)(B)(v) of the Internal Revenue Code of 1986, as amended, and Treasury Regulation 20.2056(b)-7(b)(3), Kathy, as personal representative of the Estate of Andrew Boyle, has been granted the power to make the Qualified Terminable Interest Property (QTIP) Election for Federal estate tax purposes with respect to any trust created by Andrew, including, but not limited to, the Andrew Boyle Revocable Trust and any separate trust created thereunder; and

6. Kathy, as personal representative, has not exercised said power to make the QTIP Election with respect to the Andrew Boyle Revocable Trust and any separate trust created thereunder; and

7. Kathy has not executed a written waiver of her right to disclaim the power to make the QTIP Election with respect to the Andrew Boyle Revocable Trust and any separate trust created thereunder; and

8. Kathy has not accepted the power to make the QTIP Election with respect to the Andrew Boyle Revocable Trust and any separate trust created thereunder; and

9. Kathy has not voluntarily assigned, conveyed, encumbered, pledged or transferred her power to make the QTIP Election with respect to the Andrew Boyle Revocable Trust and any separate trust created thereunder, and has not contracted to do so; and

10. The power to make the QTIP Election with respect to the Andrew Boyle Revocable Trust and any separate trust created thereunder has not been sold pursuant to a judicial sale; and

11. Neither Kathy nor the Estate of Andrew Boyle is now insolvent and neither of them was insolvent at the date of Andrew's death; and

12. Kathy has not disclaimed or attempted to disclaim all or any part of the power to make the QTIP Election with respect to the Andrew Boyle Revocable Trust and any separate trust created thereunder; and

13. Kathy does not wish to receive or exercise the power to make the QTIP Election with respect to the Andrew Boyle Revocable Trust and any separate trust created thereunder; and

14. Kathy, as personal representative of the Estate of Andrew Boyle, wishes to irrevocably and unqualifiedly disclaim, renounce and forever refuse to accept the power, granted to her pursuant to the Internal Revenue Code and the Regulations thereunder, to make the Qualified Terminable Interest Property (QTIP) Election with respect to the Andrew Boyle Revocable Trust and any and all separate trusts created thereunder.

NOW THEREFORE the undersigned, Kathy Boyle, as personal representative of the Estate of Andrew Boyle, voluntarily and without consideration, hereby irrevocably and unqualifiedly disclaims, renounces and forever refuses to accept the power, granted to her by Section 2056(b)(7)(B)(v) of the Internal Revenue Code of 1986, as amended, and Treasury Regulation 20.256(b)-7(b)(3), to make the Qualified Terminable Interest Property (QTIP) Election with respect to the Andrew Boyle Revocable Trust and any and all trusts created thereunder.

The foregoing disclaimer shall be effective only as to Kathy Boyle as personal representative of the Estate of Andrew Boyle and shall not be effective as to any successor personal representative of said Estate.

IN WITNESS WHEREOF, I, Kathy Boyle, have hereunto affixed my hand this _____ day of November, 2009.

KATHY BOYLE
Address

In the presence of:

_____

_ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ ,Witness
[Print name of Witness]

_____

_ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ ,Witness
[Print name of Witness]

Prepared by:

Peter J. Bakarich, Jr., Esq.
SHOOBE AND BAKARICH
A Professional Corporation
17 Arcadian Avenue
Paramus, New Jersey 07652-1245

STATE OF NEW JERSEY)
ss:
COUNTY OF BERGEN)

The foregoing instrument was acknowledged before me this _____day of November, 2009, by Kathy Boyle, who is personally known to me or who has produced as identification.

_____
(Signature of Officer)

(Print, type or stamp commissioned name and affix official seal)

My commission expires:

Receipt of the within instrument of disclaimer is hereby acknowledged this_____day of November, 2009.

ESTATE OF ANDREW BOYLE

By:_____
KATHY BOYLE, Personal Representative

ANDREW BOYLE
REVOCABLE TRUST

By:_____
KATHY BOYLE, Trustee,

By:_____
VICTOR BOYLE, Trustee

Disclaimer of Dollar Amount with Formula Reduction if Tax Payable

SHOOBE AND BAKARICH
A Professional Corporation
17 Arcadian Avenue
Paramus, New Jersey 07652-1245
(201) 587-9004

In the Matter of the Estate of	:	BERGEN COUNTY SURROGATE'S COURT
	:	DOCKET NO: 2008-0000
LEO SMITH,	:	DISCLAIMER
deceased.	:	BY LOIS SMITH

WHEREAS:

1. Leo Smith (the "decedent"), late of ----------, New Jersey -----, died testate on June 15, 2008;

2. The Last Will and Testament of the decedent was admitted to Probate and Letters Testamentary thereunder were issued by the Bergen County Surrogate's Court to Lois Smith ("Lois") on June 27, 2008;

3. Pursuant to Article THIRD of said Last Will and Testament, the decedent bequeathed the entire rest, residue and remainder of his estate (his "residuary net estate") to Lois and provided that if she should disclaim any portion of said residuary net estate, it would pass to the trustee named in said Will to be held in trust (the "Trust") for the benefit of Lois pursuant to subarticle A of said Article THIRD.

4. Pursuant to said subarticle A , the entire net income of the Trust is to be paid to, or applied for the benefit of, Lois in annual or more frequent intervals. The trustee of the Trust also has the right to pay to Lois or apply for her benefit so much or all of the principal of the Trust as the trustee deems necessary or advisable for Lois's health, maintenance or support. Upon the death of Lois, the Trust is paid over and distributed to the decedent's then living issue in equal shares per stirpes. At the date of this instrument, the decedent's sole living issue in his son, Sam Smith.

5. Pursuant to subarticle B of Article SEVENTH of the decedent's Will, the decedent appointed his son, Sam Smith, as trustee of the Trust.

6. At the time of his death, the decedent maintained an Ameritrade Account #----- (the "Account"), registered in the names of the decedent and his wife, Lois Smith, as joint tenants with right of survivorship, specifically as "Leo Smith & Lois Smith JT TEN." Included in the Account were various securities and cash or cash equivalents. At the time of death of the decedent, Lois Smith was the

surviving joint tenant upon whom one-half of the Account devolved by right of survivorship; said one-half interest in the Account being hereinafter sometimes referred to as the "Survivorship Right" of Lois Smith in the Account.

7. Lois disclaimed her Survivorship Right in the Account by Disclaimer of Survivorship Right dated July 25, 2008.

8. As a result of said Disclaimer of Survivorship Right, one-half of the Account and one-half of the income earned therein became a part of the residuary net estate of the decedent and said one-half interests are currently held in a Wachovia Securities Account #---- (the "Estate Account"), registered in the name of the Estate of Leo Smith.

9. None of (i) the Estate Account, (ii) any interest therein, (iii) the residuary net estate of the decedent, (iv) any interest therein, or (v) any interest of Lois in any of the property or interests listed in clauses (i) through (iv) hereof, has been seized under judicial process issued against the Estate Account, any interest therein, the residuary net estate, any interest therein or Lois.

10. Lois, individually and as executrix, has neither received nor accepted any interest, or any benefits of any interest, in any of (i) the Estate Account, (ii) any interest therein, (iii) the residuary net estate or (iv) any interest therein.

11. Lois has not exercised control as beneficial owner over all or any part of the (i) Estate Account, (ii) any interest therein, (iii) the residuary net estate of the decedent or (iv) any interest therein.

12. Lois has not voluntarily assigned, conveyed, encumbered, pledged or transferred, or contracted to assign, convey, encumber, pledge or transfer, all or any part of (i) the Estate Account, (ii) any interest therein, (iii) the residuary net estate of the decedent or (iv) any interest therein.

13. Lois has not disclaimed or attempted to disclaim all or any part of (i) the Estate Account, (ii) any interest therein, (iii) the residuary net estate of the decedent or (iv) any interest therein, in fraud of her creditors as set forth in the New Jersey "Uniform Fraudulent Transfer Act" (N.J.S. Section 25:2-20 et seq.).

14. Lois has not executed a written waiver of her right to disclaim all or any part of (i) the Estate Account, (ii) any interest therein, (iii) the residuary net estate of the decedent or (iv) any interest therein.

15. Lois is not now insolvent nor was she insolvent at the date of the decedent's death.

16. Lois does not wish to receive or accept any interest (or any benefits of any interest) in, or exercise any control over, a specific pecuniary amount from the Estate Account to which she would be entitled as beneficiary of the residuary net estate of the decedent pursuant to Article THIRD of his Last Will and Testament in the absence of the within disclaimer.

17. Lois wishes to irrevocably and unqualifiedly disclaim, renounce and forever refuse to accept, (i) any and all interests, benefits and rights in and to a specific pecuniary amount of the Estate Account and (ii) any and all interests, benefits and rights she may have in and to any income earned on such specific pecuniary amount.

NOW, THEREFORE, the undersigned, Lois Smith, hereby irrevocably and unqualifiedly disclaims, renounces and forever refuses to accept any and all interests, benefits and rights in and to (i) the amount of one million forty thousand and 00/100 ($1,040,000.00) dollars from the Estate Account and (ii) all income earned on said amount; provided, however, that if the amount disclaimed would cause Federal Estate Tax to be payable with respect to Leo Smith's estate, then the amount disclaimed shall be reduced to the largest amount that would not cause Federal Estate Tax to be payable with respect to Leo Smith's estate.

IN WITNESS WHEREOF, I, Lois Smith, have hereunto affixed my hand this 26th day of February, 2009.

Lois Smith

STATE OF NEW JERSEY)
ss:
COUNTY OF BERGEN)

BE IT REMEMBERED, that on this 26th day of February, 2009, before me the subscriber, an Attorney at Law of the State of New Jersey, personally appeared Lois Smith, who, I am satisfied, is the person mentioned in the within instrument of disclaimer, and thereupon she acknowledged that she signed, sealed and delivered the same as her voluntary act and deed, for the uses and purposes therein expressed.

Receipt of the within instrument of disclaimer is hereby acknowledged this 26th day of February, 2009.

ESTATE OF LEO SMITH

By:
Lois Smith, Executrix

Formula Disclaimer Clause: Taxable Estate not to Exceed X Dollars

NOW THEREFORE, the undersigned, Jane Smith, pursuant to N.J.S.A. 3B: 9-1, et seq., hereby irrevocably and unqualifiedly disclaims, renounces and forever refuses to accept any and all interests, benefits and rights in and to a fractional share of the aforesaid residuary estate of John Smith (including the income earned by such fractional share), the numerator of which fraction is that portion of the aforesaid residuary estate which, when disclaimed, will increase the taxable estate of John Smith , as finally determined for Federal estate tax purposes, to that amount which will cause the total Federal estate taxes and State estate and inheritance taxes payable with respect to the Estate of John Smith or as a result of his death to be as close as possible to, but not to exceed, the sum of $_____, and the denominator of which fraction is the entire residuary estate of John Smith.

Disclaimer by executor–Order to Show Cause

SHOOBE AND BAKARICH
A PROFESSIONAL CORPORATION
17 Arcadian Avenue
Paramus, NJ 07652-1245
(201) 587-9004

IN THE MATTER OF THE ESTATE OF WILLIAM JONES, DECEASED	SUPERIOR COURT OF NEW JERSEY CHANCERY DIVISION; PROBATE PART BERGEN COUNTY DOCKET NO. **CIVIL ACTION** **ORDER TO SHOW CAUSE**

This matter having been presented to the Court pursuant to R. 4:83 by Shoobe and Bakarich, a Professional Corporation (Peter J. Bakarich, Jr., Esq. appearing), attorneys for and on behalf of Arthur Brown and Peter Brown, as executors of the Estate William Jones, the plaintiffs herein, and the Court having considered the Verified Complaint filed by plaintiffs and for good cause shown;

IT IS ON THIS _____day of _____, 2004,

ORDERED that the Interested Persons, as shown on Exhibit A annexed hereto, appear at _____ o'clock in the _____noon before the Superior Court of New Jersey, Chancery Division, Probate Part (the Honorable _____, J.S.C. presiding) in Court Room _____, Bergen County Justice Center, 10 Main Street, Hackensack, New Jersey 07601, to SHOW CAUSE why the relief sought in the Verified Complaint should not be granted; and it is

FURTHER ORDERED that a copy of this Order, certified by plaintiffs' attorney to be a true copy, together with a true copy of the Verified Complaint, similarly certified, shall be served within_____days of the return date hereof on the Interested Persons by regular and certified mail, return receipt requested, with proof of service filed; and it

FURTHER ORDERED that any responsive pleading shall be filed with the Bergen County Surrogate and served upon counsel for the plaintiffs and all other Interested Persons no later than _____days prior to the return date hereof, and any reply thereto no later _____ days prior to the return date; and it is

FURTHER ORDERED that all pleadings and other submissions filed with the Bergen County Surrogate should be accompanied by a proposed form of Order or Judgment, together with a Certification of Attorney's Services, where applicable.

_____

J.S.C.

EXHIBIT A

The names and addresses of all persons interested in this matter, and their interests therein, are as follows:

Douglas Jones	Beneficiary of bequest of one-half of residue of estate of each of Mary Jones and William Jones
James Jones	Beneficiary of bequest of one-half of residue of estate of each of Mary Jones and William Jones
Joyce Jones	Beneficiary of bequest of $5,000 under each of Will of Mary Jones and Will of William Jones
Geraldine Jones	Beneficiary of bequest of $5,000 under each of Will of Mary Jones and Will of William Jones
Arthur Brown	Executor of Estate of Mary Jones Executor of Estate of William Jones
Peter Brown	Executor of Estate of Mary Jones Executor of Estate of William Jones

Disclaimer by executor: Court Order

SHOOBE AND BAKARICH
A PROFESSIONAL CORPORATION
17 Arcadian Avenue
Paramus, NJ 07652-1245
(201) 587-9004

IN THE MATTER OF THE ESTATE OF WILLIAM JONES, DECEASED	SUPERIOR COURT OF NEW JERSEY CHANCERY DIVISION; PROBATE PART BERGEN COUNTY DOCKET NO. **CIVIL ACTION** **ORDER**

This matter coming before the Court on application of Shoobe and Bakarich, A Professional Corporation (Peter J. Bakarich, Jr., Esq. appearing), attorneys for and on behalf of Arthur Brown and Peter Brown, as executors of the Estate of William Jones (the plaintiffs herein), for an order authorizing the signing and filing of a Disclaimer with the Bergen County Surrogate, a copy of which Disclaimer is attached hereto as Exhibit "A", and the Court having found that it has jurisdiction over the above estate and having considered the arguments of counsel, and the pleadings filed on behalf of plaintiffs, and finding that said Disclaimer is advisable and will not materially prejudice the rights of creditors, devisees, heirs or beneficiaries of the above estate and that the right to disclaim is not fraud pursuant to N.J.S 46:2E-9 [and with the consent of all interested parties] and for good cause shown; it is on this _____day of _____ 2004, ordered that this Court does hereby authorize Arthur Brown and Peter Brown, as executors of the Estate of William Jones, to sign the original Disclaimer in the form attached hereto as Exhibit "A" and to file said duly executed Disclaimer with the Bergen County Surrogate; and it further ordered that a copy of this order be served upon all interested parties within _____days from the date hereof.

_____
J.S.C.

NJ Disclaimer of Fraction of Residuary and Intestate Estates by Brother and Sister

SHOOBE AND BAKARICH
A Professional Corporation
17 Arcadian Avenue
Paramus, New Jersey 07652-1245
(201) 587-9004

	:	BERGEN COUNTY SURROGATE'S COURT
In the Matter of the Estate of	:	DISCLAIMER BY
DAVID COOPER,	:	KARL COOPER -and-
deceased.	:	GRACE COOPER

WHEREAS:

1. David Cooper (the "decedent"), late of ----------, New Jersey, died testate on September 1, 2002;

2. The Last Will and Testament of the decedent was admitted to Probate and Letters Testamentary thereunder were issued by the Bergen County Surrogate's Court to Lois Cooper on September 24, 2002;

3. Pursuant to subarticle (A) of Article THIRD of said Last Will and Testament, the decedent bequeathed ten (10%) percent of his estate (undiminished by debts, expenses and taxes) to his wife, Lois Cooper ("Lois"), if she survives him for 90 days;

4. Lois survived the decedent by said 90 days;

5. Pursuant to subarticle B of Article THIRD of said Last Will and Testament, the decedent bequeathed the balance of his estate after payment of debts, expenses and taxes (his "residuary estate") to his two children, Karl Cooper and Grace Cooper, in equal shares;

6. Both Karl and Grace survived the decedent and are of full age;

7. None of (i) the aforesaid residuary estate, (ii) any interest therein, (iii) any interest of Karl Cooper or Grace Cooper in said residuary estate, (iv) any portion of decedent's estate which may pass by intestate succession ("intestate estate"), (v) any interest in said intestate estate or (vi) any interest of Karl

Cooper or Grace Cooper in said intestate estate has been seized under judicial process issued against either of them;

8. Karl Cooper (i) has neither received nor accepted the aforesaid residuary and intestate estates, or any interest therein, or any benefit of any interest therein; (ii) has not exercised control as beneficial owner over all or any part of said residuary and intestate estates, or any interest therein; (iii) has not voluntarily transferred or encumbered, or contracted to transfer or encumber, all or any part of said residuary and intestate estates, or any interest therein; (iv) has not disclaimed or attempted to disclaim all or any part of said residuary and intestate estates, or any interest therein, in fraud of his creditors as set forth in the New Jersey "Uniform Fraudulent Transfer Act" (N.J.S. Section 25:2-20 et seq.); and (v) has not executed a written waiver of his right to disclaim said residuary and intestate estates, or any interest therein;

9. Karl Cooper does not wish to receive or accept any interest, or any benefits of any interest, in a fractional share of the aforesaid residuary and intestate estates, nor does he wish to exercise any control over a fractional share of said residuary and intestate estates, to which he would otherwise be entitled as devisee under the aforesaid Last Will and Testament of the decedent or as an heir of the decedent, in the absence of the within disclaimer;

10. Karl Cooper wishes to irrevocably and unqualifiedly disclaim, renounce and forever refuse to accept, any and all interests, benefits and rights in and to a fractional share of the aforesaid residuary and intestate estates, including any and all interests, benefits and rights he may have in and to any income earned by such fractional share of said residuary and intestate estates;

11. Gloria Cooper (i) has neither received nor accepted the aforesaid residuary and intestate estates, or any interest therein, or any benefit of any interest therein; (ii) has not exercised control as beneficial owner over all or any part of said residuary and intestate estates, or any interest therein; (iii) has not voluntarily transferred or encumbered, or contracted to transfer or encumber, all or any part of said residuary and intestate estates, or any interest therein; (iv) has not disclaimed or attempted to disclaim all or any part of said residuary and intestate estates, or any interest therein, in fraud of her creditors as set forth in the New Jersey "Uniform Fraudulent Transfer Act" (N.J.S. Section 25:2-20 et seq.); and (v) has not executed a written waiver of her right to disclaim said residuary and intestate estates, or any interest therein;

12. Gloria Cooper does not wish to receive or accept any interest, or any benefits of any interest, in a fractional share of the aforesaid residuary and intestate estates, nor does she wish to exercise any control over a fractional share of said residuary and intestate estates, to which she would otherwise be entitled as devisee under the aforesaid Last Will and Testament of the decedent or as an heir of the decedent, in the absence of the within disclaimer;

13. Gloria Cooper wishes to irrevocably and unqualifiedly disclaim, renounce and forever refuse to accept, any and all interests, benefits and rights in and to a fractional share of the aforesaid

residuary and intestate estates, including any and all interests, benefits and rights she may have in and to any income earned by such fractional share of said residuary and intestate estates;

NOW, THEREFORE, the undersigned, Karl Cooper and Grace Cooper, hereby irrevocably and unqualifiedly disclaim, renounce and forever refuse to accept any and all interests, benefits and rights in and to (i) a fractional share of the aforesaid residuary estate of David Cooper; and (ii) all income earned by such fractional share; the numerator of which fraction is the value of that portion of the aforesaid residuary estate, which, when disclaimed, will decrease the taxable estate of the decedent, as finally determined for Federal estate tax purposes, to the maximum amount possible without requiring payment of any Federal estate taxes and any New Jersey estate taxes, and the denominator of which fraction is the entire value of said residuary estate.

Should any portion of decedent's intestate estate pass to Karl Cooper and Grace Cooper by intestate succession as a result of the aforesaid disclaimer or any other disclaimer by any other person, or otherwise, then the undersigned, Karl Cooper and Grace Cooper, hereby irrevocably and unqualifiedly, disclaim, renounce and forever refuse to accept any and all interests, benefits and rights in and to (i) a fractional share of the aforesaid intestate estate; and (ii) all income earned by such fractional share; the numerator of which fraction is the value of that portion of the aforesaid intestate estate, which, when disclaimed, will decrease the taxable estate of the decedent, as finally determined for Federal estate tax purposes, to the maximum amount possible without requiring payment of any Federal estate taxes and any New Jersey estate taxes, and the denominator of which fraction is the entire value of said intestate estate.

The undersigned, Karl Cooper and Grace Cooper, hereby agree that :

(i) For purposes of determining the aforesaid fractional shares, it will be assumed that the interests being disclaimed hereunder will pass to the decedent's surviving spouse, Lois Cooper, and will qualify for the Federal estate tax marital deduction;

(ii) Each of Karl Cooper and Grace Cooper shall be treated as initially having disclaimed, renounced and forever refused to accept one-half (½) of the fractional shares so determined;

(iii) Each of Karl Cooper and Grace Cooper shall be treated as then having disclaimed, renounced and forever refused to accept one hundred (100%) percent of any and all interests, benefits and rights in and to any portion of the aforesaid residuary and intestate estates of the decedent that may pass to either of them as a result of the disclaimer by the other, or by any other person, including all income earned thereon; and

(iv) The intent and purpose of the within disclaimer is to reduce the Federal and New Jersey estate taxes payable with respect to the decedent's estate to zero or as close to zero as possible, and said disclaimer shall be interpreted to give effect to such intent and purpose .

IN WITNESS WHEREOF, each of Karl Cooper and Grace Cooper, has hereunto affixed his or her hand on the date hereinafter set forth.

Dated:_____

_____
Grace Cooper

Dated: _____

_____
Karl Cooper

STATE OF NEW YORK)
ss:
COUNTY OF ROCKLAND)

BE IT REMEMBERED, that on this day of , 2003, before me the subscriber, a Notary Public of New York, personally appeared Karl Cooper, who, I am satisfied, is the person mentioned in the within instrument of disclaimer, and thereupon he acknowledged that he signed, sealed and delivered the same as his voluntary act and deed, for the uses and purposes therein expressed.

Notary Public State of New York

STATE OF NEW CALIFORNIA)
ss:
COUNTY OF)

BE IT REMEMBERED, that on this day of , 2003, before me the subscriber, a Notary Public of California, personally appeared Grace Cooper, who, I am satisfied, is the person mentioned in the within instrument of disclaimer, and thereupon she acknowledged that she signed, sealed and delivered the same as her voluntary act and deed, for the uses and purposes therein expressed.

_____

Notary Public State of California

Receipt of the within instrument of disclaimer is hereby acknowledged this day of , 2003.

ESTATE OF DAVID COOPER

By:_____
Lois Cooper, Executor

Disclaimer of Power by Holder (Beneficiary)

SHOOBE AND BAKARICH
A Professional Corporation
17 Arcadian Avenue
Paramus, New Jersey 07652-1245
(201) 587-9004

	:	BERGEN COUNTY SURROGATE'S COURT
In the Matter of the Estate of	:	Docket No.: 2004-1234
CHARLES SMITH	:	DISCLAIMER OF
	:	POWER OF APPOINTMENT BY
deceased.		
	:	JANE SMITH

WHEREAS:

1. Charles Smith (the "decedent"), late of ----------, New Jersey 07652, died testate on October 1, 2004;

2. The Last Will and Testament of the decedent and First Codicil thereto were admitted to Probate and Letters Testamentary thereunder were issued by the Bergen County Surrogate's Court to Jane Smith on November 1, 2004;

3. Pursuant to Article IV of said Last Will and Testament, the decedent bequeathed the entire residue of his estate to the trustees appointed under the decedent's Will, which trustees are directed: (i) to add the said residue of the decedent's estate to any other assets received by the trustees; (ii) to divide all such assets into two separate parts, with one such part being referred to as the "Marital Deduction Amount" and the second such part, consisting of the balance of such assets other than the Marital Deduction Amount and (iii) to hold such second part as a separate trust referred to in said Will and also in this disclaimer as the "Residuary Share" trust, for the benefit of the decedent's wife, Jane Smith, in accordance with Article V of the Will.

4. Letters of Trusteeship for the Residuary Share trust were issued by the Bergen County Surrogate's Court to Jane Smith and Mary Smith on November 1, 2004;

5. Subarticle A of Article V of decedent's Last Will and Testament contains the provisions applicable to the administration and disposition of the Residuary Share trust. The second paragraph of said subarticle A reads as follows:

> "My wife, JANE SMITH, shall have the right, from time to time, to appoint all or any part of the then remaining principal of the trust to and among such of my descendants as

she shall desire, and my trustees shall transfer and set over principal of the trust in accordance with any exercise of such power. This power of appointment may be exercised by my said wife by an instrument in writing, executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey, and delivered to my trustees, and may be exercised in favor of the permissible appointees in such proportions and amounts, and upon such estates, whether in trust or otherwise, as my said wife shall desire."

6. The existence of the power of appointment referred to in paragraph 5 hereof, because such power is exercisable by Jane Smith in a manner that would not subject the transfer to Federal estate and gift tax, prevents a disclaimer by Jane Smith from being a qualified disclaimer if assets would pass as a result thereof to the Residuary Share trust;

7. Pursuant to Treasury Regulation 25.2518-3(a)(1)(iii), such power of appointment is treated as a separate interest which may be disclaimed independently from any other interests separately created by the decedent in the trust property;

8. None of (i) the residue of the estate of the decedent, (ii) any interest therein, (iii) the assets received by the trustees, (iv) any interest therein, (v) the Residuary Share trust (vi) any interest therein, (vii) any asset or interest subject to the power of appointment contained in subarticle A of Article V of the Residuary Share trust and referred to in paragraph 5 hereof or (viii) any interest of Jane Smith in any of the property or interests listed in clauses (i) through (vii) hereof, has been seized or sold under judicial process issued against said estate, the assets received by the trustees, the Residuary Share trust or Jane Smith ;

9. Jane Smith has neither received nor accepted any interest, or any benefits of any interest, in any of the property or interests listed in clauses (i) through (vii) of paragraph 8 hereof, or in the power of appointment granted to her in subarticle A of Article V of the Residuary Share trust and referred to in paragraph 5 hereof;

10. Jane Smith has not exercised control as beneficial owner over all or any part of the property or interests listed in clauses (i) through (vii) of paragraph 8 hereof, or over the power of appointment granted to her in subarticle A of Article V of the Residuary Share trust and referred to in paragraph 5 hereof;

11. Jane Smith has not voluntarily assigned, conveyed, encumbered, pledged or transferred, or contracted to assign, convey, encumber, pledge or transfer, all or any part of the property or interests listed in clauses (i) through (vii) of paragraph 8 hereof, or the power of appointment granted to her in subarticle A of Article V of the Residuary Share trust and referred to in paragraph 5 hereof;

12. Jane Smith has not disclaimed or attempted to disclaim all or any part of the property or interests listed in clauses (i) through (vii) of paragraph 8 hereof, or the power of appointment granted to her in subarticle A of Article V of the Residuary Share trust and referred to in paragraph 5 hereof, in fraud

of her creditors as set forth in the New Jersey "Uniform Fraudulent Transfer Act" (N.J.S. Section 25:2-20 et seq.);

13. Jane Smith has not executed a written waiver of her right to disclaim all or any part of the property or interests listed in clauses (i) through (vii) of paragraph 8 hereof, or the power of appointment granted to her in subarticle A of Article V of the Residuary Share trust and referred to in paragraph 5 hereof;

14. Jane Smith does not wish to receive or accept any interest (or any benefits of any interest) in, or exercise any control over, the power of appointment granted to her in subarticle A of Article V of the Residuary Share trust and referred to in paragraph 5 hereof;

15. Jane Smith wishes to irrevocably and unqualifiedly disclaim, renounce and forever refuse to accept, any and all interests, benefits and rights in and to the power of appointment granted to her in subarticle A of Article V of the Residuary Share trust and referred to in paragraph 5 hereof.

NOW, THEREFORE, the undersigned, Jane Smith , voluntarily and without consideration, hereby irrevocably and unqualifiedly disclaims, renounces and forever refuses to accept any and all interests, benefits and rights in and to the power of appointment granted to her by the following provision contained in subarticle A of Article V of the Residuary Share trust under the Last Will and Testament of Charles Smith:

> "My wife, JANE SMITH, shall have the right, from time to time, to appoint all or any part of the then remaining principal of the trust to and among such of my descendants as she shall desire, and my trustees shall transfer and set over principal of the trust in accordance with any exercise of such power. This power of appointment may be exercised by my said wife by an instrument in writing, executed and acknowledged in the form then required by law to entitle a conveyance of real property to be recorded in the State of New Jersey, and delivered to my trustees, and may be exercised in favor of the permissible appointees in such proportions and amounts, and upon such estates, whether in trust or otherwise, as my said wife shall desire."

IN WITNESS WHEREOF, I, Jane Smith , have hereunto affixed my hand on June , 2005.

Jane Smith

STATE OF NEW JERSEY)
ss:
COUNTY OF BERGEN)

BE IT REMEMBERED, that on this day of June, 2005, before me the subscriber, a Notary Public of New Jersey, personally appeared Jane Smith , who, I am satisfied, is the person mentioned in the within instrument of disclaimer, and thereupon she acknowledged that she signed, sealed and delivered the same as her voluntary act and deed, for the uses and purposes therein expressed.

_____

Receipt of the within instrument of disclaimer is hereby acknowledged on this day of June, 2005.

ESTATE OF CHARLES SMITH

By:_____
Jane Smith , Executor

RESIDUARY SHARE TRUST UNDER ARTICLES IV
AND V OF THE LAST WILL AND TESTAMENT OF
CHARLES SMITH FOR THE BENEFIT
OF SPOUSE, JANE SMITH, FOR LIFE

By:
Jane Smith, Trustee

By:
Mary Smith, Trustee

Disclaimer of Survivorship Right in NJ Real Property

DISCLAIMER OF SURVIVORSHIP RIGHT

IN

---------- REAL PROPERTY

BY

Michael Roberts

WHEREAS:

1. Emily Roberts (the "decedent"), late of ----------, New Jersey -----, died testate on February 15, 2005;

2. The Last Will and Testament of the decedent was admitted to Probate and Letters Testamentary thereunder were issued by the Bergen County Surrogate's Court to Michael Roberts on August 22, 2005;

3. At the time of his death, the decedent owned an interest in certain real property (the "Property") located at ----------, New Jersey (Tax Map: Block ----, Lot --), evidenced by a Deed from ----- and -----, his wife, to Michael Roberts and Emily Roberts, his wife, dated November 1, 1952 and recorded in the Bergen County Clerk's Office on November 15, 1952 in Deed Book ---- at page --- et seq., which Property consists of the land and all of the buildings and structures on the land in the ----------, County of Bergen and State of New Jersey and which is more particularly described as follows:

BEGINNING

4. At the time of death of the decedent, Michael Roberts was the surviving tenant by the entirety upon whom one-half of the Property devolved by right of survivorship; said one-half interest in the Property being hereinafter sometimes referred to as the "Survivorship Right" of Michael Roberts in the Property.

5. None of (i) the Property, (ii) any interest therein, (iii) the Survivorship Right, (iv) any interest therein, or (v) any interest of Michael Roberts in any of the property or interests listed in clauses (i) through (iv) hereof, has been seized under judicial process issued against the Property, any interest therein, the Survivorship Right, any interest therein or Michael Roberts;

6. Michael Roberts has neither received nor accepted any interest, or any benefits of any interest, in any of (i) the Property, (ii) any interest therein, (iii) the Survivorship Right or (iv) any interest therein;

7. Michael Roberts has not exercised control as beneficial owner over all or any part of the (i) the Property, (ii) any interest therein, (iii) the Survivorship Right or (iv) any interest therein;

8. Michael Roberts has not voluntarily assigned, conveyed, encumbered, pledged or transferred, or contracted to assign, convey, encumber, pledge or transfer, all or any part of (i) the Property, (ii) any interest therein, (iii) the Survivorship Right or (iv) any interest therein;

9. Michael Roberts has not disclaimed or attempted to disclaim all or any part of (i) the Property, (ii) any interest therein, (iii) the Survivorship Right or (iv) any interest therein, in fraud of his creditors as set forth in the New Jersey "Uniform Fraudulent Transfer Act" (N.J.S. Section 25:2-20 et seq.);

10. Michael Roberts has not executed a written waiver of his right to disclaim all or any part of (i) the Property, (ii) any interest therein, (iii) the Survivorship Right or (iv) any interest therein;

11. Michael Roberts does not wish to receive or accept any interest (or any benefits of any interest) in, or exercise any control over, the fractional share of the Survivorship Right to which he would be entitled as surviving tenant by the entirety in the absence of the within disclaimer;

12. Michael Roberts wishes to irrevocably and unqualifiedly disclaim, renounce and forever refuse to accept, (i) any and all interests, benefits and rights in and to a fractional share of the Survivorship Right and (ii) any and all interests, benefits and rights he may have in and to any income earned on such fractional share of said Survivorship Right.

NOW, THEREFORE, the undersigned, Michael Roberts, voluntarily and without consideration, hereby irrevocably and unqualifiedly disclaims, renounces and forever refuses to accept any and all interests, benefits and rights in and to (i) a fractional share of the Survivorship Right in the Property referred to in paragraph 3 hereof and (ii) all income earned by such fractional share; the numerator of which fraction is the value of that portion of the aforesaid Survivorship Right, which, when disclaimed, will increase the taxable estate of the decedent, as finally determined for Federal estate tax purposes, to the maximum amount possible without requiring payment of any Federal estate taxes and any New Jersey estate taxes, and the denominator of which fraction is the entire value of said Survivorship Right. For purposes of determining the aforesaid fractional share, (i) this Disclaimer shall be taken into account after taking into account all other disclaimers executed by the undersigned, Michael Roberts, prior to executing

this Disclaimer and (ii) it shall be assumed that said fractional share, when disclaimed, will not pass directly to said Michael Roberts pursuant to subarticle A of Article IV of the decedent's Will.

IN WITNESS WHEREOF, I, Michael Roberts, have hereunto affixed my hand this ____ day of _____, 2005.

Michael Roberts

STATE OF NEW JERSEY)
ss:
COUNTY OF BERGEN)

BE IT REMEMBERED, that on this ____ day of _____, 2005, before me the subscriber, , personally appeared Michael Roberts, who, I am satisfied, is the person mentioned in the within instrument of disclaimer, and thereupon he acknowledged that he signed, sealed and delivered the same as his voluntary act and deed, for the uses and purposes therein expressed.

Receipt of the within instrument of disclaimer is hereby acknowledged this ____ day of _____, 2005.

ESTATE OF EMILY ROBERTS

By:
Michael Roberts, Executor

Additional Formula Disclaimers

NOW, THEREFORE:

The undersigned, Jane Smith, voluntarily and without consideration, hereby irrevocably and unqualifiedly disclaims, renounces and forever refuses to accept any and all interests, benefits and rights in and to a fractional share of the aforesaid IRA payable to her as named beneficiary thereof and referred to in paragraph 3 hereof, and all income earned by such fractional share; the numerator of which fraction is the lesser of (i) two million five hundred thousand ($2,500,000) dollars or (ii) the value of that portion of said IRA, which, when disclaimed, will increase the sum of (a) the value of the taxable estate of John Smith (as finally determined for Federal estate tax purposes, but without the deduction for state death taxes and as if the election to opt out of the Federal estate tax had not been made) and (b) the amount of his adjusted taxable gifts for Federal estate tax purposes (as finally determined for such estate tax purposes), to an amount which will be as close as possible or equal to, but not exceed, two million five hundred thousand ($2,500,000) dollars, and the denominator of which fraction is the entire value of said IRA.

The undersigned, Jane Smith, voluntarily and without consideration, hereby irrevocably and unqualifiedly disclaims, renounces and forever refuses to accept any and all interests, benefits and rights in and to a fractional share of the aforesaid Marital Deduction Amount payable to her pursuant to paragraph 1 of subarticle A of Article IV of the Last Will and Testament of John Smith and referred to in paragraph 3 hereof, and all income earned by such fractional share; the numerator of which fraction is the lesser of (i) three hundred thousand ($300,000) dollars or (ii) the value of that portion of said Marital Deduction Amount, which, when disclaimed, will increase the sum of (a) the value of the taxable estate of John Smith (as finally determined for Federal estate tax purposes, but without the deduction for state death taxes and as if the election to opt out of the Federal estate tax had not been made) and (b) the amount of his adjusted taxable gifts for Federal estate tax purposes (as finally determined for such estate tax purposes), to an amount which will be as close as possible or equal to, but not exceed, one million ($1,000,000) dollars, and the denominator of which fraction is the entire value of said Marital Deduction Amount.