

NORTH CAROLINA IRREVOCABLE TRUST

Pursuant to Chapter 47 Probate and Registration

This Irrevocable Trust is made this ____ day of _____, 20____, by and between:

Grantor

_____ with a mailing address of _____
(referred to as the "Grantor,") and

Trustee

_____ with a mailing address of _____
(referred to as the "Trustee,")

The Trustee agrees to hold any property transferred to this Trust from whatever source in trust upon the following terms:

Article 1. Name of the Trust: This Trust shall be known as the

"_____ IRREVOCABLE TRUST."

Article 2. Funding of Trust:

- (1) On the date set forth above, the Grantor transferred to the Trust the property described on "Attachment A" which is attached and incorporated into this Trust.
- (2) The trustee may accept property from any source and upon any terms, but no additional property may be added, other than by the Grantor's will, if the trustee believes it will not be in the best interest of the beneficiaries.
- (3) The purpose of this trust is to manage the Grantor's assets and to use them to allow the Grantor to live in the community for as long as possible.
- (4) The trust created by this agreement shall be irrevocable. The Grantor may not revoke or amend this agreement in any way.

Article 3. Life of the Grantor: During the life of the Grantor, the trustee may pay the Grantor or may pay on the Grantor's behalf as much of the income of the trust as it shall determine in its sole and non-reviewable discretion to be necessary for the Grantor's care and well being. Any income not paid may be accumulated and added to the principal. The principal shall be held until the termination of this trust.

Article 4. Death of the Grantor: Upon the death of the Grantor, except as otherwise set forth below, the Trustee shall hold, administer and dispose of the Trust Estate as follows:

- A. The trustee shall divide the principal and any undistributed income into equal shares to be distributed equally among the following beneficiaries:

Nothing herein shall be considered legal advice. You are encouraged to seek legal advice from an attorney licensed to practice in your jurisdiction before using this form.

Name _____ Address _____

Name _____ Address _____

Name _____ Address _____

Name _____ Address _____

B. Failure of All Beneficiaries: In the event of the failure of all beneficiaries, then the Trustee shall pay and transfer the Trust Estate, discharged of this Trust, to the person or persons who would be entitled to inherit from _____ (Name of Grantor) under the laws of the State of North Carolina, had (he/she) then died unmarried, intestate and domiciled in that State, and possessed only of the property to be distributed.

C. Distribution to Any Person Who is Under the Age of 21: If distribution is to be made to any person who is under eighteen (18) years of age and who is not then a beneficiary of any portion of the trust property under any provision of this Trust, the Trustee may make the distribution free of all trusts to the minor, to a parent of the minor for the minor's benefit, or to a custodian designated by the Trustee for the minor, and that distribution shall represent a complete discharge of the Trustee.

Article 5. Payment of Death Taxes, Administration Expenses, Etc.:

Upon the death of the Grantor, the following shall be applicable:

1. The Trustee shall pay all or any portion of any of the funeral expenses, expenses of administration, debts, taxes (including estate, inheritance or similar taxes arising by reason of the Grantor's death), interest, penalties and legacies that the legal representative of the Grantor's estate may, in accordance with the Grantor's Will, certify in writing to the Trustee.
2. In the event the assets of the Grantor's residuary probate estate shall be insufficient to pay for the Grantor's funeral expenses, expenses of administration and all Federal and State taxes in the nature of estate, inheritance or like taxes, such obligations shall be paid by the Trustee to the extent that they exceed said residuary probate estate assets.
3. In making any payments under this Article, the Trustee may rely on any certificate of the legal representative of the Grantor's estate as to the amount of said payment and the person to whom it is to be paid.

Article 6. Estate of Grantor: Notwithstanding the instructions in Article 4 with respect to the distribution of income and principal, the Trustee is authorized in its discretion to use the income and principal of the Trust, from time to time as follows:

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- A. To purchase and to retain as investments any securities or other property, real or personal, belonging to the estate of the Grantor.
- B. To make loans or advances to the personal representative of the estate of the Grantor on such reasonable terms as it deems advisable.
- C. The Trustee is not obligated to see to the application of any funds paid over to the estate of the Grantor.

Article 7. Trustee Powers: As an extension and not a limitation of all common law and statutory authority, and except where in conflict with any other provision in this Trust, the Trustee shall have the following powers and authority:

- A. To accept and receive property, real or personal, from the Grantor, from the Grantor's estate or from any other estate, trust or person, and to hold the same as a part of the Trust.
- B. To collect income, interest, dividends, rents and profits.
- C. To retain any part or all of the property, real or personal, received to be held in trust hereunder in the form of investments, and to invest and reinvest the property of the Trust in any investments as the Trustee may deem proper without regard for the principles of diversification or whether any form of investment would ordinarily be considered as suitable for a trustee to make or hold; and to retain any real estate or tangible personal property received to be held in trust hereunder and/or to acquire any real property and/or tangible personal property, permitting the beneficiaries to make such use thereof as is advisable and commensurate with their beneficial interests, and to make repairs and improvements and pay taxes, insurance premiums and other charges with respect thereto as the Trustee may deem advisable.
- D. To sell any real or personal property of the Trust at public or private sale for cash or on credit or to exchange the same on terms as the Trustee may deem advisable; to lease any real or personal property of the Trust at times and on terms as the Trustee may deem advisable, whether or not the lease may extend beyond the term of any trust.
- E. To borrow for the purposes of the Trust and to mortgage or pledge any real estate or personal property as security for any such loans.
- F. To foreclose by entry or otherwise, extend, assign or give partial releases of any mortgages, to discharge mortgages or liens on real or personal property.
- G. To sign, seal, execute and deliver all proper and necessary conveyances and instruments for the purposes of the Trust.
- H. To grant options for the sale or exchange of any property.

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- I. To vote in person or by proxy upon all stocks or other securities held and to exercise all conversion, subscription, voting and other rights of whatever nature pertaining to the property of the Trust and to pay any sums as may be deemed advisable in connection therewith; and to exercise stock options.
- J. To participate in any plan of reorganization, consolidation or merger, to deposit any property of the Trust under any such plan or with any protective or reorganization committee, to delegate to such committee discretionary power with respect thereto, to pay a proportionate part of the expenses of the committee and any assessments levied under any plan and to accept and retain new securities received in pursuance of any plan.
- K. To hold securities or any real or other personal property in the name of a nominee or nominees, or in any other form.
- L. To employ legal counsel, investment counsel and agents, to decide whether or not to act upon their recommendations and to pay to them reasonable compensation from the Trust Estate.
- M. To take any proceedings at law or in equity with reference to or in any matter concerning the Trust and to represent the interests of the Trust in any proceedings, with power to compromise or refer to arbitration any dispute in any way affecting the same.
- N. To take steps and to do any acts which may be deemed necessary or proper for the due care and management of the Trust.
- O. To value all property to be divided or distributed at then current fair market values, and, in the Trustee's discretion, to convert all or any part of such property into money and to make division or distribution thereof in kind or in money
- P. To refuse to accept property as a trust asset if such property could result in liability to this Trust or otherwise impair the value of any Trust property.
- Q. To place any portion or all of the trust funds in any custodial or agency account or other similar account administered by a banking institution or trust company and to rely upon their investment decisions, such not constituting an unauthorized delegation of the Trustee's duties; provided that this paragraph shall not be applicable if the Trustee is a corporate Trustee.
- R. To have dealings between or among separate trusts or trust shares hereunder, including the purchase, sale or exchange of assets, or the borrowing or lending of money, on such reasonable terms as may be appropriate in the circumstances.
- S. To open and maintain checking or savings accounts in any bank or banks and to designate any one or more persons to execute checks or make withdrawals therefrom.

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- T. To make loans to any person or persons upon such reasonable terms as the Trustee may determine, provided that no loan shall be made to any person who is also serving as a Trustee hereunder.

Article 8. Payment of Premiums: The Trustee shall in no way be bound to pay the premiums or other charges on any policy payable hereunder, nor to see that any such policy is kept in force, but shall use its best efforts to collect any sum payable thereunder whenever by the terms of such policy or policies, the same shall be payable to the Trustee and it shall have knowledge thereof.

Article 9. Distributions by Trustee; Limitation on Exercise of Special Power of Appointment: The Trustee is authorized to make payments of principal or income directly to and otherwise to deal with minors as though of full age or to make such payments for the benefit of such minor, or to the parent or person having custody of the minor for his or her use, all as the Trustee may designate. No grantee or holder of any special power of appointment granted under this Trust shall have the right or power to exercise such special power in any manner that can satisfy any legal obligation of such grantee, or holder, including, but not limited to, any legal obligation of support.

Article 10. Accounting: Unless directed otherwise by an adult beneficiary of the Trust, the Trustee may accept such amount of property distributed to it by the legal representative of the Grantor's estate as constituting all the property to which the Trustee is entitled under the Grantor's Will. The Trustee shall have no duty to review the administration of the Grantor's estate by such legal representative, unless the Trustee has actual affirmative knowledge of any impropriety in such administration.

Article 11. Spendthrift Provisions: The interest of any beneficiary in any share or part of this Trust, both principal and income, shall not be alienable, assignable, attachable, transferable nor paid by way of anticipation, nor in compliance with any order, assignment or covenant and shall not be applied to, or held liable for, any of his or her debts or obligations either in law or equity and shall not in any event pass to his or her assignee or trustee under any instrument nor under any insolvency or bankruptcy law, and shall not be subject to the interference or control of creditors, spouses or others. Nothing contained in this Article shall be construed as restricting in any way the exercise of any power of appointment granted herein.

Article 12. Dealings With Third Parties: Any person, firm, corporation or entity dealing with the Trustee may always, rely upon the Trustee, as being duly authorized hereunder in all particulars; and no such person, firm, corporation or entity shall in any way be responsible for the proper use or application of any property delivered, or any funds paid over or advanced, by any of them to the Trustee; and the receipt of the Trustee for any payment or advancement made to the Trustee, or for any property delivered to the Trustee, shall be a complete discharge and acquittance to the extent specified in such receipt. Persons dealing with the Trustee shall look only to the property administered by the Trustee for payment of claims and not to the Trustee's personal property.

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Article 13. Successor Trustees and Other Provisions Dealing With Trustees:

- A. Successor Trustee: The Grantor appoints _____ with a mailing address of _____ as initial successor Trustee and if he shall die or otherwise be unable to fulfill the duties herein, the Grantors appoint _____ with a mailing address of _____ as second successor Trustee. Any Trustee may resign at any time by a written instrument delivered to any person authorized to appoint a successor Trustee. A successor Trustee shall make a written acceptance of office. At no time may an individual who is a beneficiary hereunder (other than either of the Grantors) be appointed Trustee. 3
- B. Resignation of Trustee: Any Trustee hereunder may resign by a notice in writing delivered to the Grantor, if the Grantor is then living, and, after the Grantor's death, to all current beneficiaries of this Trust.
- C. Certified Copies and Certificate of Trustee or Attorney at Law: Anyone may rely upon a copy hereof certified by a Notary Public to be a true copy of this instrument
- D. Trustee's Accountings: The Trustee, may, and, upon request of any beneficiary hereof, shall, render periodic accounts, no more often than quarterly, with respect to the trusts hereunder to the person or persons then entitled to receive any income or principal from this Trust.
- E. Bond: No Trustee hereunder be required to furnish bond, or surety on any bond, for the performance of its duties as Trustee in any jurisdiction.
- F. Successor Trustees or Co-Trustees: All rights, powers and exemptions reserved or granted to the Trustee hereunder shall extend to any successor Trustee or co-Trustee. No successor Trustee or co-Trustee shall succeed to such office until he/she/it accepts such office in writing. Any successor Trustee or co-Trustee may accept, without examination or review, the accounts rendered and the property delivered by any predecessor Trustee or present co-Trustee without liability. Each successor Trustee or co-Trustee has the same title, power and duties as the Trustee succeeded or, in the case of a co-Trustee, the other then present Trustee, without any additional conveyance. Any reference to a "Trustee" refers equally to any successor Trustee or co-Trustee.
- G. Compensation of Trustee: Any individual Trustee serving hereunder shall be entitled to be paid a reasonable fee from the Trust Estate, based on the amount of time expended by such Trustee in carrying out his/her duties hereunder. Any corporate Trustee shall be entitled to be paid a fee based upon its fee schedule from time to time published by it.
- H. Liability of an Individual Trustee: No individual Trustee (as opposed to a corporate Trustee) shall, with respect to the investment of trust property, be liable for any ac-

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tion taken, or failure to act, unless such action, or failure to act, was done willfully and in bad faith.

- I. Corporate Trustee: The term “corporate Trustee” shall mean a Trustee which is a banking institution or trust company regularly engaged in the business of trust administration in which no beneficiary has any controlling interest.

Article 14. Governing Law: This Trust is made and executed in the State of North Carolina and is to be governed and construed according to the laws of said State.

Article 15. Incompetency: A person, including a Trustee or Special Trustee, shall be deemed incompetent for purposes of this Trust if a physician sets forth his or her opinion in writing that such person is incapable of caring for his or her person or property.

Article 16. Gender References: Whenever the context permits, the use of a particular gender shall include any other gender, and references to the singular or the plural shall be interchangeable.

Schedule A

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WITNESS my hand and seal on the day first above written.

WITNESS

Signature _____ Printed Name _____

WITNESS

Signature _____ Printed Name _____

GRANTOR

Signature _____ Printed Name _____

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

TRUSTEE

Signature _____ Printed Name _____

STATE OF _____

County of _____

On this _____ of _____, 20____, personally appeared the above-named _____ and acknowledged the foregoing to be (his/her) free act and deed, before me.

Notary Public
My Commission Expires:

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