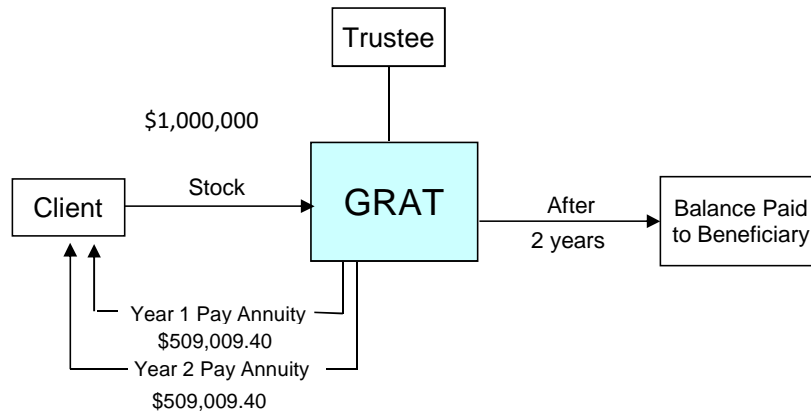


GRANTOR RETAINED ANNUITY TRUST (GRAT)

IRS 7520 Rate - April, 2020 - 1.2%



1. The GRAT is "zeroed out" so there is no gift made upon formation.
2. The GRAT pays the annuity using cash received from any distribution on the assets transferred to the GRAT, and if such distributions are insufficient, assets will be returned in kind.
3. The GRAT distributes the remaining assets, if any, to the beneficiaries.
4. If assets transferred to the GRAT increase in value at a rate higher than 1.2%, then the balance paid to beneficiary will pass free of gift and estate tax. For example, if \$1,000,000 is contributed to the GRAT and the assets in the GRAT increase in value by 6%, the beneficiary will receive assets of \$75,041 free of gift and estate tax.
5. If assets transferred to GRAT decline in value, or increase at a rate less than 1.2%, all assets will be returned to Client and no benefit will be achieved.
6. If Client dies during the 2-year term, then all assets will be included in Client's estate and no benefit will be achieved.