

THE WILSON-SCHMIDT REVOCABLE TRUST AGREEMENT, 2020

I, ISAAC RICHARD WILSON, of Elizabethtown, Kentucky, make this Trust Agreement dated as of _____, 20____, with ISAAC RICHARD WILSON as the initial trustee. Unless the context otherwise requires, the term “trustee” as used herein shall mean me, ISAAC RICHARD WILSON, so long as it is serving alone as such and thereafter shall include my successor trustee THERESA M. WILSON.

WITNESSETH, the Settlor has delivered or will deliver to the Trustee the property listed in Schedule A. Upon receipt of this property, the Trustee agrees to hold in trust and to manage and dispose of it according to the provisions of this Trusts Agreement.

ITEM I

A. Creation of Trust. I have transferred to the trustee the assets listed on the attached Schedule. I may transfer other assets to the trustee or designate the trustee as beneficiary of insurance policies or other accounts. The trustee shall hold all assets received in trust under the terms of this agreement.

B. Revocation and Amendment. I reserve the right to revoke or amend this agreement or remove the incumbent trustee by a writing (other than my will) signed by me and delivered to the trustee during my lifetime. The duties or compensation of the trustee shall not be changed without the consent of the trustee. If this agreement has been completely revoked, all trust property held by the trustee shall be transferred and delivered to me or as I otherwise may direct in writing. If this agreement has been revoked but at my death an insurance policy or other account is payable to the trustee, the trustee shall distribute the net proceeds of such account to my estate.

ITEM II

I am married to THERESA M. WILSON. (referred to in the remainder of this agreement as “my spouse”). I have one (1) child living on the date of this agreement, ANN E. WILSON.

ITEM III

A. Trust During My Lifetime. During my lifetime, the trustee shall accumulate the income and retain the principal of the trust except as I may otherwise direct. If at any time, I am determined to be disabled as provided subsequently in this Article, the trustee may pay income and principal of the trust as the trustee may deem necessary to provide for my support and health, and may pay my obligations including the support of my spouse and my dependents. The trustee, in the trustee's discretion, may make such gifts from principal to any one or more of my spouse and my descendants (other than any trustee) and any charitable organizations as the trustee determines to be desirable under the circumstances (including tax planning considerations), if such action is not significantly detrimental to my welfare. Gifts may be outright or in trust and need not be equal or equalized. No gifts shall be considered advancements and no person shall have standing to complain of any gift made or not made.

B. Determination of Disability by Committee. For purposes of this instrument, there is hereby constituted a "Committee" which shall consist from time to time of my spouse and my adult children who are not then disabled. The Committee, by majority vote, and with the written concurrence of a physician who has examined or treated me within the previous three months, at any time within such period can declare me to be disabled, or subsequently declare that my disability has ended, in each case by written notice signed by that majority and delivered to me and to the trustee. During any period in which I have been declared to be disabled, unless the Committee designates otherwise in its declaration of disability or a subsequent notice, or a court of competent jurisdiction has determined that I am legally competent to act, I shall be: (1) restricted from making withdrawals and giving directions under this Article, (2) removed as trustee, if I am then serving, (3) prohibited from amending or revoking this instrument, and (4) disqualified from removing trustees, appointing successor trustees, and approving trustee accounts, in which event the persons who would exercise those rights if I were then deceased shall exercise them in my place. No person shall have a duty to seek a judicial determination regarding my legal competency.

ITEM IV

At my death, the trustee shall retain the assets held at my death and other assets received by the trustee by reason of my death, after payment of any charges as set forth in a subsequent Article of this agreement, in the Family Trust to be administered as directed under the following Article of this agreement.

ITEM V

A. During my Spouse's Lifetime. During my spouse's lifetime, the trustee may pay to or for the benefit of my spouse as much of the net income of the Family Trust as the trustee may deem necessary for my spouse's support and health and for any such descendant's support, health, and education. In addition to the foregoing amounts, any independent trustee may pay or apply all or any part of the net income of the trust to or for the benefit of my spouse and any descendant of mine as such independent trustee considers advisable in such independent trustee's sole, absolute, and uncontrolled discretion. The trustee shall annually add any undistributed income to principal. Moreover, in making distributions under this paragraph:

(1) My primary concern during my spouse's life is for my spouse's support and health, and the trustee need not consider the interest of any other beneficiary in making distributions to my spouse for those purposes under this paragraph;

(2) No distribution made shall be charged as an advancement; and

(3) The trustee may make unequal distributions to the beneficiaries, may at any time make a distribution to fewer than all of them, and shall have no duty to equalize those distributions.

B. Following Survivor's Death. Following the death of the survivor of my spouse and me and until the Division Date, the trustee may pay to or for the benefit of any descendant of mine as much of the net income of the trust as the trustee may deem necessary for the support, health, and education of any such descendant. In addition to the foregoing amounts, the trustee must distribute the principle at the following intervals, and in the following amounts:

(1) 1/3 of the principal amount when the beneficiary reaches age thirty (30)

(2) 1/2 of the principal amount when the beneficiary reaches age thirty-five (35).

(3) All of the principal amount when the beneficiary reached the age of forty (40).

C. The trustee shall annually add any undistributed income to principal. Moreover, in making distributions under this paragraph:

(1) My primary concern is for the health, support, and education of my children and the trustee need not consider the interest of any other beneficiary in making distributions to a child of mine for those purposes under this paragraph;

(2) No distribution made under this paragraph to a descendant shall be charged as an advancement; and

(3) The trustee may make unequal distributions to the beneficiaries, may at any time make a distribution to fewer than all of them, and shall have no duty to equalize those distributions.

D. Division Date. The Division Date shall be the first date on or after the death of ANN E. WILSON, or upon ANN E. WILSON'S fortieth (40) birthday.

E. Distribution at Division Date. At the Division Date, the trustee shall distribute the remaining principal and any undistributed income of the Family Trust to ANN E. WILSON provided that, any share that otherwise would pass under this paragraph to a child of mine who is then living shall be retained in a separate trust to be administered for the benefit of such child as directed under the following Article of this agreement.

ITEM VI

A. During the Child's Lifetime. During the child's lifetime, the trustee may pay to or for the benefit of the child and any descendant of the child as much of the net income as the trustee may deem necessary for the support, health, and education of the child and any such descendant of the child. The trustee shall annually add any undistributed income to principal. Moreover, in making distributions under this Article:

(1) My primary concern during the life of the child is for the child's health, support, and education and the trustee need not consider the interest of any other beneficiary in making distributions to the child for those purposes under this paragraph;

(2) No distribution made under this paragraph to a descendant of the child shall be charged as an advancement; and

B. Termination of Trust and General Power of Appointment. When the beneficiary reaches age forty (40), the trustee shall distribute the remaining principal and any undistributed income of the trust to the beneficiary. If, the beneficiary dies before reaching age forty, the trustee shall distribute the remaining principal and any undistributed income of the trust (referred to in the remainder of this paragraph as the “trust assets”) to the beneficiary’s estate.

ITEM VII

If at any time there is no living beneficiary designated to receive the assets of any trust under this agreement, the trustee shall distribute such assets: (A) one-half to the persons who would be my distributees under the laws of Kentucky then in effect if I had then died without a will, unmarried, and owning the assets and (B) one-half to the persons who would be my spouse’s distributees under the laws of Kentucky then in effect if my spouse had then died without a will, unmarried, and owning the assets.

ITEM VIII

A. Successor Trustees. If: (1) any trustee resigns or ceases to serve for a trust under this agreement and (2) no other trustee is then serving for such trust, the adult beneficiary or a parent or other adult person responsible for the minor beneficiary then authorized to receive income of such trust, acting alone, or, if more than one beneficiary is then authorized to receive income of the trust, the adult beneficiaries and a parent or other adult person responsible for each minor beneficiary then authorized to receive income of the trust, acting by majority vote, as the case may be, may appoint any individual (other than any such beneficiary or the spouse of any such beneficiary) or any bank, trust company, or other entity having trust powers as a successor trustee of such trust. Any appointment pursuant to this subparagraph shall become effective upon written notice to and acceptance of fiduciary duties by the successor trustee.

B. Resignation of Trustee. Any trustee serving for a trust under this agreement may resign as trustee by written notice delivered to: (1) me, if I am then living and not incapacitated as determined in accordance with the provisions of a previous Article, (2) any other trustee then serving for such trust, and (3) each adult beneficiary and a parent or other adult person responsible for each minor beneficiary then authorized to receive income of such trust. Any

resignation pursuant to this paragraph shall not be effective until appointment of a successor trustee if the resigning trustee is the only trustee then serving.

C. Administrative Requirements. To the extent permitted by law, the trustee shall not be required to furnish any bond, surety, or security and shall not be required to file any inventories, appraisals, or accounts with any court official or court in any jurisdiction.

D. Compensation. Each trustee shall be entitled to receive reasonable compensation. In the case of any corporate trustee and in the absence of a fee agreement, reasonable compensation means the compensation specified in its published fee schedule in effect at the time it renders services, and its compensation may vary from time to time based on that schedule.

E. Additional Trustees. The trustee shall have the right to designate any individual or any bank, trust company, or other entity having trust powers to serve as an additional trustee for any reason. Reasons for additional trustees may include, but are not limited to: (1) the need to have a resident of a particular jurisdiction serve as a trustee to satisfy the requirements of that jurisdiction's law, (2) the need to have an ancillary trustee of any trust, and (3) the need to appoint an independent trustee. Each reference under this agreement to the trustee shall be deemed to include any such additional trustee.

F. Delegation of Authority. If at any time there is more than one trustee serving for a trust under this agreement, the trustees may agree that one or any number of them may exercise a power vested in all of them. The agreement shall be in writing and may be revoked by a writing delivered by a trustee to the other trustee or trustees then serving. When such an agreement has been made and has not been revoked, a trustee who has delegated a power shall not be liable for the exercise of or the failure to exercise such power by the trustee or trustees to whom the delegation has been made. Any person dealing with a trustee may rely upon the certificate of any trustee concerning the delegation of a power permitted by this paragraph.

ITEM IX

A. Fiduciary Powers. In addition to the powers granted by law and subject to the following paragraph of this Article, I grant the Trustee the power:

(1) To keep in the trust any original property received from the Settlor, or from any other source even though the property may not be the type of property prescribed by law for the investment of trust funds.

(2) To sell publicly or privately any property of the trust without prior or subsequent court approval and upon such terms as it deems proper.

(3) To invest and reinvest any part or all of the principal of the trust in stocks, bonds, mortgages, shares in common trust fund or other securities, as well as any other real or personal property.

(4) To sell exchange, lease, mortgage, repair and improve and take any prudent steps with regard to any real estate that may be a part of the trust. Any contract on real estate in the trust which is made by the Trustee shall be binding for the full period of the contract even if the period extends beyond the termination of the trust.

(5) To vote shares of stock held in trust, either in person or by proxy and with or without the power of substitution.

(6) To participate in the liquidation, reorganization, incorporation, or any other financial readjustment of any corporation or business in which the trust is financially interested.

(7) Borrow money from any source, including the Trustee in his individual capacity, for any purpose connected with the trust property and to mortgage or pledge as securities any property of the trust upon such conditions as the Trustee deems proper.

(8) To hold any security in bearer form, in the Trustee's own name, or in the name of a duly appointed nominee.

(9) Divide the principal of the trust, if required, and may make the division in cash or in kind, or both, and the judgment of the Trustee concerning the proper way to make such a division and to value the property being divided shall be binding on all parties.

(10) To, during the minority or incapacity of any beneficiary to whom income or principal may be distributed, the Trustee may pay the income and principal; in any one or more of the following ways: (1) directly to the beneficiary; (2) to the legal guardian of the beneficiary; (3) to a relative of the beneficiary to be spent by the relative for the support, maintenance and education of the beneficiary; and (4) by making payments directly for the support maintenance and education of the beneficiary. The Trustee shall not be required to see to the application of

any money paid, and the receipt from the person to whom the money is paid shall be a full acquaintance to the Trustee.

(11) Have power, authority and discretion in management of the trust property as the Settlor would have in the management and control of the Settlor's own property.

B. Restrictions on Fiduciary Powers. Notwithstanding anything contained in this agreement to the contrary, the trustee: (1) shall not exercise any power that would cause trust income to be taxable to me or my spouse or the trust assets to be includable in my gross estate or my spouse's gross estate, (2) shall not use trust income or principal: (a) for my benefit or the benefit of my spouse or (b) to satisfy my legal obligations or my spouse's legal obligations, and (3) shall not use trust income to pay insurance premiums for policies insuring my life or the life of my spouse.

C. Investment Advisor. The trustee may employ a professional investment advisor in managing the investments of any trust under this agreement. The trustee may rely upon the investment recommendations of the advisor without liability to any beneficiary, if such advisor is selected and monitored with due care.

ITEM X

A. Spendthrift Provisions. To the fullest extent permitted by law: (1) no power of appointment or power of withdrawal shall be subject to involuntary exercise and (2) no interest of any beneficiary shall be subject to anticipation, to claims for alimony, maintenance or support, to voluntary transfer without the written consent of the trustee, or to involuntary transfer in any event. The interest of each beneficiary under this agreement is held subject to a spendthrift trust.

B. Fiduciary Discretion. The powers and discretion granted to the trustee are exercisable only in a fiduciary capacity. The trustee may make discretionary payments to the beneficiaries of any trust in unequal shares and, unless otherwise directed in this agreement, the trustee may, but shall not be required to, consider other resources available to such beneficiary. The trustee may make tax elections without regard to the relative interests of any beneficiaries and may, but shall not be required to, make equitable adjustments among beneficiaries.

C. Restrictions on Individual Trustees. Notwithstanding any other provision of this agreement, I hereby limit the general discretionary powers of each fiduciary so that no fiduciary:

(1) shall participate in any decision that would cause any portion of the trust to be includable in the estate of the fiduciary for federal estate tax purposes and (2) may use trust income or principal to discharge the legal obligation of the fiduciary individually to support or educate a beneficiary hereunder. Where a standard for discretionary distributions or other discretion of a fiduciary consists of two or more elements, they shall be severable for purposes of determining any fiduciary's ability to participate in a decision under this agreement.

D. Annual Reports. The trustee may, but shall not be required to, send to any income or principal beneficiaries, either annually or at the termination of the trust, a report of the trust property, liabilities, receipts, and disbursements, including the source and amount of the trustee's compensation, and a list of the trust assets and their respective market values unless the qualified beneficiary specifically requests such a report in writing delivered to the trustee. Upon a vacancy in the trusteeship, when a trustee does not remain in office, the former trustee shall not be required to send such a report to the qualified beneficiary unless the qualified beneficiary specifically requests such a report in writing delivered to such former trustee.

E. Facility of Payment. If a beneficiary who is eligible to receive income or principal distributions is disabled at the time of distribution, then the trustee may, without further responsibility, either: (1) make those distributions to the beneficiary directly, to a lawful guardian of a beneficiary, or to a qualified individual or a trust company designated by the trustee as custodian for that beneficiary under an applicable Uniform Transfers to Minors Act or similar law or (2) expend that distributable property for the benefit of the beneficiary in such manner as the trustee considers advisable. Determinations made by the trustee under this paragraph in good faith shall be conclusive on all persons.

F. Discretionary Distributions.

- (1) The term "support" means support in reasonable comfort;
- (2) The term "education" includes, but is not limited to, the expenses of private schooling at the elementary and secondary school level, college, graduate, and professional schools, and specialized or vocational training; and
- (3) The term "health" shall be construed liberally to include all forms of mental or physical health care, including, but not limited to, nursing home or other extended care.

G. Residence. If at any time the assets of the Family Trust include any interest in any residence, my spouse shall have the right to use, occupy, and enjoy such residence free of any rent. In addition, my spouse shall have the right to require the trustee to sell any residence, or any interest therein, and reinvest the proceeds in another residence or in other assets; provided such other residence or assets must be satisfactory to both the trustee (as a trust investment) and my spouse.

ITEM XI

A. Independent Trustee. An independent trustee shall be any trustee who is not related or a subordinate person to me, my spouse, or any beneficiary of any trust hereunder, within the meaning of Section 672(c) of the Code.

B. Disclaimer. Any beneficiary or the legal representative of any deceased beneficiary shall have the right, within the time prescribed by law, to disclaim any benefit or power granted hereunder. Any transfer taxes incurred at my death and attributable to a qualified disclaimer of property included in my gross estate shall be paid from the disclaimed property. The transfer taxes attributable to a qualified disclaimer shall be the difference between: (1) the actual taxes payable at my death and (2) the taxes that would be payable at my death if the disclaimer were not made.

C. Governing Law. This agreement shall be governed by the laws of Kentucky.

IN TESTEMONY WHEREOF, the Settlor and Trustee, ISAAC RICHARD WILSON have signed his name to this Trust Agreement consisting of this and ten (10) preceding pages on the _____ of _____ 2020.

ISAAC RICHARD WILSON, SETTLOR AND TRUSTEE

Subscribed, sworn, and acknowledged to me by Isaac Richard Wilson, the Settlor and Trustee, on this _____ day of _____, 2020.

My Commission Expires:

NOTARY PUBLIC, STATE AT LARGE, KENTUCKY

PREPARED BY:

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**SCHEDULE
TO
THE WILSON-SCHMIDT REVOCABLE TRUST AGREEMENT, 2020**

Asset
Cash

Value
\$ _____