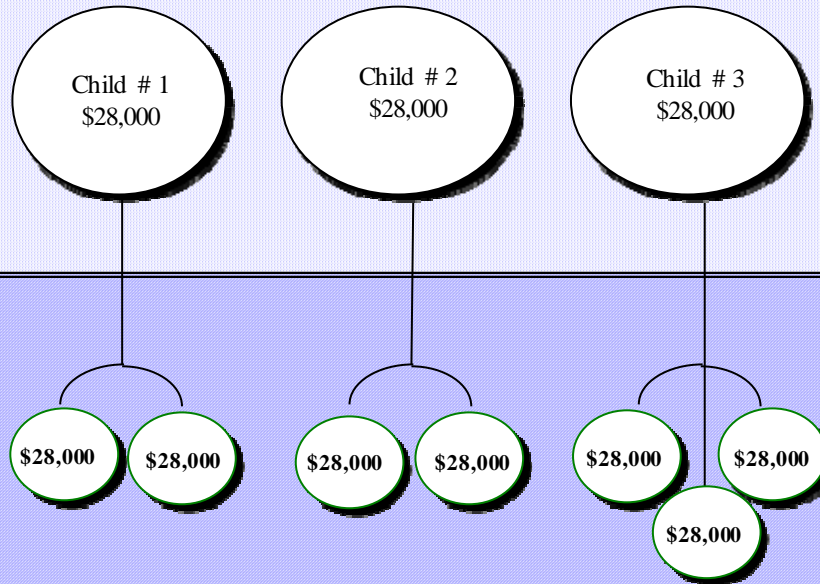


# Annual Tax Free Gift Trust for the benefit of: Children and Grandchildren

**Primary Beneficiaries can receive \$28,000 each from Mr. & Mrs. Donor**



**Remainder Beneficiaries can receive \$28,000 each from Mr. & Mrs. Donor**

1. Maximum Utilization of \$14,000 annual tax free gifts,
2. Assets can be invested in an extremely flexible manner,
3. Mr. and Mrs. Donor's Children are the primary beneficiaries of trust assets,
4. Assets are Estate Tax Free and protected from creditors,
5. Assets can be made available to Mr. & Mrs. Donor via secured loan,
6. Income can be "sprinkled" among family members at discretion of the trustee,
7. Assets can be used to pay life insurance on Mr. & Mrs. Donor,
8. Maximum leverage of the \$5,340,000 G.S.T. Exemption can be achieved,
9. Future \$14,000 annual gifts may be limited to a small number of beneficiaries,
10. Minimum legal and accounting fees involved,
11. Over a period of years this trust can accumulate millions of dollars  
*{see schedule of tax savings assuming 6% growth}*

Mr. and Mrs. Donor  
Annual Tax Free Gifts

*Schedule of Growth and Estate Tax Savings*

	Annual Gifts	Growth 6% "Net"	Estate Tax Free Accumulation	<i>Estate Tax Savings</i>
1.	200,000	12,000	<b>212,000</b>	<i>116,600</i>
2.	200,000	24,720	<b>436,720</b>	<i>240,196</i>
3.	200,000	38,203	<b>674,923</b>	<i>371,208</i>
4.	200,000	52,495	<b>927,419</b>	<i>510,080</i>
5.	200,000	67,645	<b>1,195,064</b>	<i>657,285</i>
6.	200,000	83,704	<b>1,478,768</b>	<i>813,322</i>
7.	200,000	100,726	<b>1,779,494</b>	<i>978,721</i>
8.	200,000	118,770	<b>2,098,263</b>	<i>1,154,045</i>
9.	200,000	137,896	<b>2,436,159</b>	<i>1,339,887</i>
10.	200,000	158,170	<b>2,794,329</b>	<i>1,536,881</i>
11.	200,000	179,660	<b>3,173,988</b>	<i>1,745,694</i>
12.	200,000	202,439	<b>3,576,428</b>	<i>1,967,035</i>
13.	200,000	226,586	<b>4,003,013</b>	<i>2,201,657</i>
14.	200,000	252,181	<b>4,455,194</b>	<i>2,450,357</i>
15.	200,000	279,312	<b>4,934,506</b>	<i>2,713,978</i>
16.	200,000	308,070	<b>5,442,576</b>	<i>2,993,417</i>
17.	200,000	338,555	<b>5,981,131</b>	<i>3,289,622</i>
18.	200,000	370,868	<b>6,551,998</b>	<i>3,603,599</i>
19.	200,000	405,120	<b>7,157,118</b>	<i>3,936,415</i>
20.	200,001	441,427	<b>7,798,546</b>	<i>4,289,201</i>