

Wealth Docx® Drafting Preview



Domestic Asset Protection Trust (DAPT)

Here is an example of how Wealth Docx streamlines your process for creating Asset Protection Trusts.

- The Table of Contents is created dynamically, based on the options you select as you draft the trust. This Table of Contents is taken from a longer trust for a married individual.



The Ulysses S Grant Irrevocable Trust Table of Contents

Article One	Establishing the Trust1
Section 1.01	Identifying My Trust 1
Section 1.02	Reliance by Third Parties 1
Section 1.03	An Irrevocable Trust 2
Section 1.04	Transfers to the Trust 2
Section 1.05	Reservation of Investment Authority 2
Section 1.06	Statement of My Intent..... 3
Section 1.07	Grantor Trust Provisions 3
Section 1.08	Prohibition of Payments to Reimburse Me for Income Tax Liability 4
Article Two	My Beneficiaries4
Article Three	Trustee Succession Provisions5
Section 3.01	Trustee Requirements 5
Section 3.02	Resignation of a Trustee 5
Section 3.03	Trustee Removal by Trust Protector 6
Section 3.04	Trustee Succession 6
Section 3.05	Notice of Removal and Appointment..... 7
Section 3.06	Minimum Number of Trustees 7
Section 3.07	Corporate Fiduciaries 7
Section 3.08	Incapacity of a Trustee 7
Section 3.09	Appointment of Independent Special Trustee 8
Section 3.10	Rights and Obligations of Successor Trustees 8
Article Four	Trust Protector Provisions8
Section 4.01	Provisions for Trust Protector 8
Section 4.02	Designation of Trust Protector 8
Section 4.03	Nomination of Successor Trust Protectors 9
Section 4.04	Removal and Replacement of a Trust Protector..... 9
Section 4.05	Resignation of a Trust Protector..... 9
Section 4.06	Incapacity of a Trust Protector 9
Section 4.07	Vacancy in the Office of Trust Protector 10
Section 4.08	Authority of Successor Trust Protectors 10
Section 4.09	Trust Protector Standard of Conduct..... 10
Section 4.10	Indemnification of Trust Protector 10
Section 4.11	Trust Protector Powers 11
Section 4.12	Limitation on Trust Protector Powers 22

- Wealth Docx allows you to create a Domestic Asset Protection Trust under the laws of the four states most commonly used for that purpose: Nevada, Delaware, Alaska and South Dakota.



The Ulysses S Grant Irrevocable Trust

Article One Establishing the Trust

The date of this Irrevocable Trust Agreement is October 1, 2014. The parties to the agreement are Ulysses S Grant, also known as Hiram Ulysses Grant, Ulysses Simpson Grant, and U. S. Grant, (the "Grantor") and Commerce Bank of Reno, Nevada (my "Trustee").

I intend that this agreement create a valid trust under the laws of Nevada and under the laws of any state in which any trust created under this agreement is administered. The terms of this trust agreement prevail over any provision of Nevada law, except those provisions that are mandatory and may not be waived.

I may not serve as Trustee of this trust or any trust created under this instrument during any period Nevada law governs this trust.

Section 1.01 Identifying My Trust

My trust may be referred to as "Commerce Bank of Reno, Nevada, Trustee of the Ulysses S Grant Irrevocable Trust dated October 1, 2014."

For the purpose of transferring property to my trust, or identifying my trust in any beneficiary or pay-on-death designation, any description referring to my trust will be effective if it reasonably identifies my trust. Any description that contains the date of my trust, the name of at least one initial or successor Trustee and an indication that my Trustee is holding the trust property in a fiduciary capacity will be sufficient to reasonably identify my trust.

Section 1.02 Reliance by Third Parties

From time to time, third parties may require documentation to verify the existence of this agreement, or particular provisions of it, such as the name or names of my Trustee or the powers held by my Trustee. To protect the confidentiality of this agreement, my Trustee may use an affidavit or a certification of trust that identifies my Trustee and sets forth the authority of my Trustee to transact business on behalf of my trust in lieu of providing a copy of this agreement. The affidavit or certification may include pertinent pages from this agreement, such as title or signature pages.

A third party may rely upon an affidavit or certification of trust that is signed by my Trustee with respect to the representations contained in the affidavit or certification of trust. A third party relying upon an affidavit or certification of trust shall be exonerated from any liability for actions the third party takes or fails to take in reliance upon the representations contained in the affidavit or certification of trust.

- Wealth Docx permits you to use all the options available under the law of the state you select. In this case, Nevada permits the grantor to retain the power and authority to make an investment decision for his or her trust.

A third party dealing with my Trustee shall not be required to inquire into the terms of this agreement or the authority of my Trustee, or to see to the application of funds or other property received by my Trustee. The receipt from my Trustee for any money or property paid, transferred or delivered to my Trustee will be a sufficient discharge to the person or persons paying, transferring or delivering the money or property from all liability in connection with its application. A written statement by my Trustee is conclusive evidence of my Trustee's authority. Third parties are not liable for any loss resulting from their reliance on a written statement by my Trustee asserting my Trustee's authority or seeking to effectuate a transfer of property to or from the trust.

Section 1.03 An Irrevocable Trust

Except as otherwise specifically provided in this instrument, this agreement and the trust or trusts established under it are irrevocable. I have no right to alter, amend, revoke, or terminate this trust, in whole or in part. I have no right, acting alone or in conjunction with any person or persons, to consent to, participate in, or be consulted in connection with any alteration, amendment, revocation, or termination. I have been advised of the difference between revocable and irrevocable trusts and declare that this agreement and the trust or trusts created under it are irrevocable.

Section 1.04 Transfers to the Trust

I transfer to my Trustee the property listed in Schedule A, attached to this agreement, to be held on the terms and conditions set forth in this instrument. I retain no right, title or interest in the income or principal of this trust or any other incident of ownership in any trust property.

By execution of this agreement, my Trustee accepts and agrees to hold the trust property described on Schedule A. All property, including life insurance policies, transferred to my trust after the date of this agreement must be acceptable to my Trustee. My Trustee may refuse to accept any property. My Trustee shall hold, administer and dispose of all trust property accepted by my Trustee for the benefit of my beneficiaries in accordance with the terms of this agreement.

Section 1.05 Reservation of Investment Authority

Under Nev. Rev. Stat. § 166.040.3, I reserve to myself and retain as Grantor the power and authority to make all "investment decisions" (set forth in Nev. Rev. Stat. § 163.5557) for trust assets, including, but not limited to, the power to direct my Trustee to purchase, sell, and retain all of the trust assets, and the power to direct my Trustee in the exercise of voting, subscription, conversion, option, and similar rights with respect to this property and to direct my Trustee's participation in and consent to any voting trust, reorganization, merger, dissolution, or other action affecting any trust property. I will exercise my powers by a written direction to the Trustee. The Trustee shall follow my direction with respect to all matters relating to the management and investment of Trust assets.

If any investment matter requires my consent or approval before my Trustee can act and I do not affirmatively deny consent to the proposed action in writing within 20 days of being notified in

- Wealth Docx permits you to choose many options in stating the grantor's intent.
- Wealth Docx gives you the option of creating your client's trust as a grantor trust or a complex trust.

writing that approval or consent is sought for the particular act, I will be considered to have given consent or approval for my Trustee's proposed action.

Section 1.06 Statement of My Intent

I am creating this trust with the intent that assets transferred to the trust be held for the benefit of my trust beneficiaries on the terms and conditions set forth in this agreement. In order to maximize the benefit to my trust beneficiaries, I give my Trustee broad discretion with respect to the management, distribution and investment of assets in my trust. My specific objectives in creating this trust include, but are not limited to, having:

(a)

Due to the fact that the assets transferred to the trust are not subject to the claims of my creditors and any beneficiary's creditors including spouses, ex-spouses, governmental agencies, third-party creditors, judgment creditors, claimants relating to professional liability, others with as yet undefined claims, and all other claimants whose claims are not enforceable under the Spendthrift Trust Act of Nevada, Nev. Rev. Stat. §§ 166.010 et seq., or similar law of any applicable jurisdiction; and

(b)

Excluded from the claims of my creditors and any beneficiary's creditors including spouses, ex-spouses, governmental agencies, third-party creditors, judgment creditors, claimants relating to professional liability, others with as yet undefined claims, and all other claimants whose claims are not enforceable under the Spendthrift Trust Act of Nevada, Nev. Rev. Stat. §§ 166.010 et seq., or similar law of any applicable jurisdiction; and

(c)

That the interest under this trust, until its distribution, be free of my debts, contracts, claims, pledges, assignments, alienation, and anticipations as grantor, and those of the Trust Protector, any beneficiary, my Trustee, and any person contributing to this trust, and not be subject to any levy, attachment, execution, sequestration, or other process of law.

That the provisions of this agreement are to be construed to accomplish these objectives. Any beneficiary has the right at any time to release, renounce or disclaim any right, power or interest that might be construed or deemed to defeat these objectives.

Section 1.07 Grantor Trust Provisions

My Trustee of the trust shall be the grantor of the trust's

Section 1.07 Grantor Trust Provisions

I intend that I be taxed as owner of this trust for federal income tax purposes for those periods during which I or any other person holds one or more of the powers described in Sections 671-678 of the Internal Revenue Code. All provisions of this trust will be construed to carry out this intent. Notwithstanding any provision of this trust that may seem to be to the contrary, the following provisions apply in the administration of the trust.

A - 3

I am married to my wife, [Name], and we are both residents of the State of Nevada.

I have four children. They are:

Frederick Dent Grant, born on May 30, 1850;

A - 4

- Wealth Docx permits you to decide who will be the beneficiary of the trust during the grantor's lifetime. You can choose to make the grantor the sole lifetime beneficiary of the self-settled trust.
- Wealth Docx provides options for trustee succession, permitting you to design who will be the initial trustee, whether the trustee will change after the grantor's death, who will have the power to remove a trustee, whether a beneficiary may serve as a trustee of the trust or any of the sub-trusts created on it, how a trustee will be chosen if the named successors have defaulted, and default provisions if an independent trustee is needed for tax purposes.

Sec

Noti
othe
prov

Noti
othe
the s

Sec

Foll
agre
auth

If at
agre
notif
corp
appo
Cotr
the b

Sec

Any
com
state
672(
excl

Sec

If ar
Trus
none
opin
the t
med
a rec

The
inca
nece

Se

At
Tru

Se

Th

Ulysses Simpson Grant, born on July 22, 1852;

Ellen Wrenshall Grant, born on July 4, 1855; and

Jesse Root Grant II, born on February 6, 1858

All references in this agreement to "my children" are references to these children, as well as to any children subsequently born to me or adopted by me in a legal proceeding valid in the jurisdiction (domestic or foreign) in which it occurred.

References in this agreement to "my descendants" refer to my children and their descendants.

The "lifetime beneficiaries" of my trust are my wife, me, and my descendants.

Article Three Trustee Succession Provisions

Section 3.01 Trustee Requirements

During any period in which this trust is situed in Nevada, the office of Trustee must be filled by at least one individual or corporate fiduciary that satisfies all the requirements of Nev. Rev. Stat. §166.015(2), and, notwithstanding anything in this agreement that may seem to the contrary, that Trustee has the power to maintain records and prepare income tax returns for the trust, and must perform all or part of the administration in the State of Nevada. Furthermore, no person or entity named in this instrument or appointed to serve under the provisions of this instrument will qualify to serve as a Trustee if that person or entity is an *excluded person*. If a person or entity becomes an excluded person after its service as Trustee has commenced, that person or entity will immediately cease to serve as Trustee, and the vacancy will be filled as otherwise provided in this Article.

Section 3.02 Resignation of a Trustee

A Trustee may resign by giving written notice to me. If I am incapacitated or deceased, a resigning Trustee shall give written notice to the Trust Protector.


Upon the resignation of a Trustee, the resigning Trustee may, concurrent with the written notice described above, appoint the resigning Trustee's successor as Trustee in the manner set forth in Section 3.05. If the resigning Trustee fails to make the appointment, the other provisions of this Article regarding Trustee succession upon incapacity or death (as the case may be) shall govern, and the next named successor or successors to the resigning Trustee will serve in the order listed. Likewise, if no named successors to the resigning Trustees are available to serve and the resigning Trustee fails to designate a successor, the other provisions of this Article regarding the filling of a vacant Trustee office shall govern. But the resigning Trustee may not appoint an excluded person as successor Trustee.

A - 5

in the manner more fully set forth in Section 3.02.

A - 6

- Wealth Docx gives you the option of including Trust Protector provisions that give some flexibility if changes are needed to this otherwise irrevocable trust. Wealth Docx document drafting system allows you to pick-and-choose the Trust Protector powers you want in the document, including the power to amend the trust (with a further option for limited or unlimited power to amend), power to change the situs of the trust, power to remove and replace trustees, power to accept or reject a contribution to the trust, power to direct investments, power to direct the management of the trust, power to add and remove beneficiaries and modify distribution rights (including powers of appointment), power to approve or reject the trustee's accountings, and the power to construe the provisions of the trust. You have the option to grant these powers to the Trust Protector in fiduciary or non-fiduciary capacity, and even to direct that some powers will be held as a fiduciary and some as a non-fiduciary.



Article Four

Trust Protector Provisions

Section 4.01 Provisions for Trust Protector

The Trust Protector's purpose is to direct my Trustee in matters concerning the trust, and to assist in achieving my objectives as expressed by the other provisions of my estate plan if needed. Any Trust Protector must be a corporate fiduciary or an individual who is not related or subordinate to me, while I am still living, or to any beneficiary within the meaning of Internal Revenue Code Section 672(c), and must not be an adverse party within the meaning of Internal Revenue Code Section 672(b). Neither I nor my wife, nor any trust beneficiaries, nor any person who has contributed to the trust may serve as a Trust Protector at any time under this instrument. Furthermore, no person or entity named in this instrument or appointed to serve under the provisions of this instrument will qualify to serve as a Trust Protector if that person or entity is an *excluded person*. If a person or entity becomes an excluded person after its service as Trust Protector has commenced, that person or entity will immediately cease to serve as Trust Protector, and the vacancy will be filled as otherwise provided in this Article.

Section 4.02 Designation of Trust Protector

I appoint Lot Morrell to serve as Trust Protector of each trust created under this instrument.

A - 8

To see other documents and learn more about Wealth Docx, [schedule a demo](#).