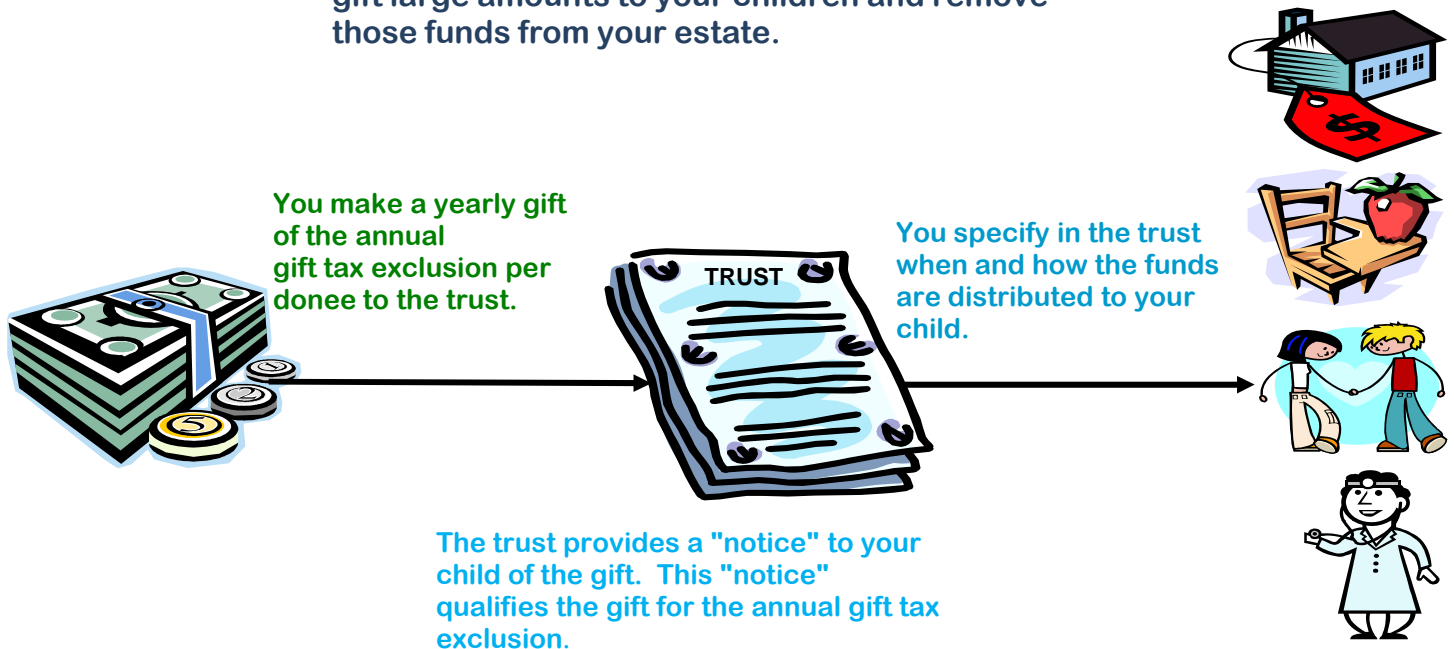


How A Crummey Trust Works

A Crummey Trust is an extremely flexible vehicle to gift large amounts to your children and remove those funds from your estate.



Uses Of Crummey Trust Funds:

Crummey Trust distributions can be made to your children for any purposes you wish. For example, you can make distributions to a child for medical, education, vacation purposes, and if the trust is significant enough, for retirement purposes.

Flexibility of Crummey Trusts:

Crummey Trust can be drafted to be as flexible as you wish. Unlike other savings vehicles like UTMA accounts, 529 Plans, and Coverdell IRAs, there is no adjusted gross income limitation on who can contribute.

- There are also no limits on the amount of gifts you can make.
- You can use the funds for any purpose, not just education.
- Also, you determine at which age your child receives the funds outright.
- Additionally, anyone can contribute to the Crummey Trust once it is set up.
- The funds are not included as an asset in computing financial aid.

Crummey Trust Notices:

A Crummey Trust requires notices be given to your children when gifts are made to the trust. These notices make your gifts eligible to qualify for the annual gift tax exclusion (\$12,000 per donee for 2006). If your child is a minor, then you must designate a person to receive notice on your child's behalf.