

***THE JOHN AND MARY SMITH
REVOCABLE LIVING TRUST***

ARTICLE ONE

John and Mary Smith, the Settlers herein, declare that they have transferred to John and Mary Smith, as Trustees of the John and Mary Revocable Living Trust, without consideration, the property described in Schedule A of this instrument.

ARTICLE TWO

During the settlors' joint lifetimes, the trustees shall pay to or apply for the benefit of both spouses for the benefit of the community the entire net income of the community estate.

ARTICLE THREE

The first settlor to die shall be called the deceased spouse, and the remaining spouse shall be called the surviving spouse. After the deceased spouse's death, the trustee shall divide the trust estate into two separate trusts, designated as the Decedent's Trust and Survivor's Trust. On the death of the deceased spouse, the Decedent's Trust shall become irrevocable.

ARTICLE FOUR

After the deceased spouse's death, the trustee shall pay out of the deceased spouse's trust the deceased spouse's last illness and funeral expenses, debts, and any expenses of administration of the deceased settlor's probate estate.

After the deceased spouse's death, the trustee shall pay to or apply for the benefit of the surviving spouse the net income of both Trusts in convenient installments at least annually. If the trustee considers such income to be insufficient, the trustee shall also pay to or apply for the benefit of the surviving spouse as much of the principal of both trusts as the trustee considers necessary for the surviving spouse's health, education, support, maintenance, comfort, enjoyment, and welfare.

The trustee shall hold, administer, and distribute all property allocated to the Decedent's trust for the benefit of the surviving spouse. The trustee shall hold, administer, and distribute all property allocated to the Survivor's trust for the benefit of the surviving spouse.

ARTICLE FIVE

After the surviving spouse's death, the successor trustee(s) shall distribute any remaining balance of the Decedent's trust, and any remaining balance of the Survivor's trust, to the children of the Settlers by right of representation.

After the surviving spouse's death, the trustee(s) shall pay out of the survivor's trust the surviving spouse's expenses of last illness, funeral expenses, debts, and any expenses of administration of the surviving settlor's probate estate.

If any living child of the settlors is under age 21, the trustee(s) shall continue to hold that child's distributive share in a child's trust. During such time as such child is under age 21, the trustee(s) shall pay to or apply for the benefit of such child the net income of the child's trust in convenient installments at least annually. If the trustee considers such income to be insufficient, the trustee shall also pay to or apply for the benefit of the child as much of the principal of the child's trust as the trustee considers necessary for such child's health, education, support, maintenance, comfort, enjoyment, and welfare. When such child of the settlors reaches age 21, the trustee(s) shall distribute to that child the undistributed balance of the child's trust.

If a child of the settlors has already reached the age specified for distribution, the trustees shall distribute to the child the appropriate child's share.

If a child of the settlors dies before becoming entitled to distribution, the share of the trust set aside for that child shall be distributed to that child's issue, if any, subject to a child's trust if such issue is under the age of 21.

If at any time before full distribution of the trust estate both settlors and all the settlors' issue are deceased and no other disposition of the property is directed by this instrument, the remaining portion of the trust shall then be distributed half to the legal heirs of the husband and half to the legal heirs of the wife, the identity and respective shares of those heirs to be determined in all respects as though the death of the husband or wife, as the case may be, had occurred immediately following the event requiring distribution and according to the laws of succession of the State of California then in force relating to separate property not acquired from a parent, grandparent, or previously deceased spouse.

ARTICLE SIX

During the settlors' joint lifetimes, this trust may be revoked in whole or in part. To be valid, revocation must be by a written document, signed by both settlors.

The settlors may at any time during their joint lifetimes amend any terms of this trust by written instrument signed by both settlors and personally delivered by either of them or sent by certified mail to the trustees.

After the deceased spouse's death, the surviving spouse may amend, revoke, or terminate the survivor's trust, but the decedent's trust may not be amended, revoked, or terminated. After the surviving spouse's death, none of the trusts may be amended, revoked, or terminated. On revocation of the survivor's trust, all its assets shall be delivered to the surviving spouse.

ARTICLE SEVEN

If all persons named or designated as trustees are unable or unwilling to serve in that office, the following persons shall act in the order prescribed:

First Successor Trustee: Barbara Smith
Second Successor Trustee: James Smith

No bond shall be required of any person named in this instrument as trustee, or of any person appointed as the trustee in the manner specified in this instrument, for the faithful performance of his or her duties as trustee.

ARTICLE EIGHT

The trusts created in this instrument may be referred to collectively as THE JOHN AND MARY SMITH REVOCABLE LIVING TRUST, and each separate trust created in this instrument may be referred to by adding the name of the beneficiary.

Executed at _____, California, on _____.

JOHN SMITH, Trustee

MARY SMITH, Trustee

CERTIFICATION BY SETTLORS

We certify that we have read the foregoing declaration of trust and that it correctly states the terms and conditions under which the trust estate is to be held, managed, and disposed of by the trustees. We approve the declaration of trust in all particulars and request that the trustees execute it.

Date: _____

JOHN SMITH, Settlor

MARY SMITH, Settlor

SCHEDULE A

ASSETS OF THE JOHN AND MARY SMITH TRUST

1. Improved real property located at 12345 Main Street, Santa Ana, CA, legally described as:

 Lot 678 of Tract 1290, records of Orange County, California.
2. Household furniture and furnishings.