

# Declaration of Trust

## Part 1. Trust Name

This revocable living trust shall be known as the John Doe Revocable Living Trust.

## Part 2. Declaration of Trust

Joh Doe, called the grantor, declares that he has transferred and delivered to the trustee all his interest in the property described in Schedule A attached to this Declaration of Trust. All of that property is called the "trust property." The trustee hereby acknowledges receipt of the trust property and agrees to hold the trust property in trust, according to this Declaration of Trust.

The grantor may add property to the trust.

## Part 3. Terminology

The term "this Declaration of Trust" includes any provisions added by valid amendment.

## Part 4. Amendment and Revocation

### *A. Amendment or Revocation by Grantor*

The grantor may amend or revoke this trust at any time, without notifying any beneficiary. An amendment must be made in writing and signed by the grantor. Revocation may be in writing or any manner allowed by law.

### *B. Amendment or Revocation by Other Person*

The power to revoke or amend this trust is personal to the grantor. A conservator, guardian or other person shall not exercise it on behalf of the grantor, unless the grantor specifically grants a power to revoke or amend this trust in a Durable Power of Attorney.

## Part 5. Payments From Trust During Grantor's Lifetime

The trustee shall pay to or use for the benefit of the grantor as much of the net income and principal of the trust property as the grantor requests. Income shall be paid to the grantor at least annually. Income accruing in or paid to trust accounts shall be deemed to have been paid to the grantor.

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## **Part 6. Trustees**

### ***A. Trustee***

John Doe shall be the trustee of this trust.

### ***B. Trustee's Responsibilities***

The trustee in office shall serve as trustee of all trusts created under this Declaration of Trust, including children's subtrusts.

### ***C. Terminology***

In this Declaration of Trust, the term "trustee" includes successor trustees or alternate successor trustees serving as trustee of this trust. The singular "trustee" also includes the plural.

### ***D. Successor Trustee***

Upon the death or incapacity of John Doe, the trustee of this trust and of any children's subtrusts created by it shall be Maria Smith.

### ***E. Resignation of Trustee***

Any trustee in office may resign at any time by signing a notice of resignation. The resignation shall be delivered to the person or institution who is either named in this Declaration of Trust, or appointed by the trustee under Section F of this Part, to next serve as the trustee.

### ***F. Power to Appoint Successor Trustee***

If no one named in this Declaration of Trust as a successor trustee or alternate successor trustee is willing or able to serve as trustee, the last acting trustee may appoint a successor trustee and may require the posting of a reasonable bond, to be paid for from the trust property. The appointment must be made in writing, signed by the trustee and notarized.

### ***G. Bond***

No bond shall be required for any trustee named in this Declaration of Trust.

### ***H. Compensation***

No trustee shall receive any compensation for serving as trustee, unless the trustee serves as a trustee of a child's subtrust created by this Declaration of Trust.

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### ***I. Liability of Trustee***

With respect to the exercise or non-exercise of discretionary powers granted by this Declaration of Trust, the trustee shall not be liable for actions taken in good faith. Such actions shall be binding on all persons interested in the trust property.

## **Part 7. Trustee's Management Powers and Duties**

### ***A. Powers Under State Law***

The trustee shall have all authority and powers allowed or conferred on a trustee under California law, subject to the trustee's fiduciary duty to the grantors and the beneficiaries.

### ***B. Specified Powers***

The trustee's powers include, but are not limited to:

1. The power to sell trust property, and to borrow money and to encumber trust property, including trust real estate, by mortgage, deed of trust or other method.
2. The power to manage trust real estate as if the trustee were the absolute owner of it, including the power to lease (even if the lease term may extend beyond the period of any trust) or grant options to lease the property, to make repairs or alterations and to insure against loss.
3. The power to sell or grant options for the sale or exchange of any trust property, including stocks, bonds, debentures and any other form of security or security account, at public or private sale for cash or on credit.
4. The power to invest trust property in every kind of property and every kind of investment, including but not limited to bonds, debentures, notes, mortgages, stock options, futures and stocks, and including buying on margin.
5. The power to receive additional property from any source and add it to any trust created by this Declaration of Trust.
6. The power to employ and pay reasonable fees to accountants, lawyers or investment experts for information or advice relating to the trust.
7. The power to deposit and hold trust funds in both interest-bearing and non-interest bearing accounts.
8. The power to deposit funds in bank or other accounts, whether or not they are

insured by the FDIC.

9. The power to enter into electronic fund transfers or safe deposit arrangements with financial institutions.

10. The power to continue any business of the grantor.

11. The power to institute or defend legal actions concerning this trust or the grantor's affairs.

12. The power to execute any documents necessary to administer any trust created by this Declaration of Trust.

13. The power to diversify investments, including authority to decide that some or all of the trust property need not produce income.

#### **Part 8. Incapacity of Grantor**

If the grantor becomes physically or mentally incapacitated, whether or not a court has declared the grantor incompetent or in need of a conservator or guardian, the successor trustee named in Part 6 shall be trustee.

The determination of the grantor's capacity to manage this trust shall be made by Person J. Doe. The successor trustee shall, if necessary, ask Person J. Doe to state, in writing, an opinion as to whether or not the grantor is able to continue serving as trustee. The successor trustee may rely on that written opinion when determining whether or not to begin serving as trustee.

If the successor trustee is unable, after making reasonable efforts, to obtain a written opinion from Person J. Doe, the successor trustee may request an opinion from a physician who examines the grantor, and may rely on that opinion.

The trustee shall use any amount of trust income or trust property necessary for the grantor's proper health care, support, maintenance, comfort and welfare, in accordance with the grantor's accustomed manner of living. Any income not spent for the benefit of the grantor shall be accumulated and added to the trust property. Income shall be paid to the grantor at least annually. Income accruing in or paid to trust accounts shall be deemed to have been paid to the grantor.

The successor trustee shall manage the trust until the grantor is again able to manage her affairs. The determination of the grantor's capacity to again manage this trust shall be

made in the manner specified just above.

### **Part 9. Death of a Grantor**

When the grantor dies, this trust shall become irrevocable. It may not be amended or altered except as provided for by this Declaration of Trust. It may be terminated only by the distributions authorized by this Declaration of Trust.

The trustee may pay out of trust property such amounts as necessary for payment of the grantor's debts, estate taxes and expenses of the grantor's last illness and funeral.

### **Part 10. Beneficiaries**

At the death of the grantor, the trustee shall distribute the trust property as follows:

Maria Smith shall be given John Doe's interest in the trust property.

### **Part 11. Terms of Property Distribution**

All distributions are subject to any provision in this Declaration of Trust that creates a child's subtrust or a custodianship under the Uniform Transfers to Minors Act.

A beneficiary must survive the grantor for 120 hours to receive property under this Declaration of Trust. As used in this Declaration of Trust, to survive means to be alive or in existence as an organization.

All personal and real property left through this trust shall pass subject to any encumbrances or liens placed on the property as security for the repayment of a loan or debt.

If property is left to two or more beneficiaries to share, they shall share it equally unless this Declaration of Trust provides otherwise. If any of them does not survive the grantor, the others shall take that beneficiary's share, to share equally, unless this Declaration of Trust provides otherwise.

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**Part 12. Grantor's Right to Homestead Tax Exemption**

If the grantor's principal residence is held in trust, the grantor has the right to possess and occupy it for life, rent-free and without charge except for taxes, insurance, maintenance and related costs and expenses. This right is intended to give the grantor a beneficial interest in the property and to ensure that the grantor does not lose eligibility for a state homestead tax exemption for which she otherwise qualifies.

**Part 13. Severability of Clauses**

If any provision of this Declaration of Trust is ruled unenforceable, the remaining provisions shall stay in effect.

**Certification of Grantor**

I certify that I have read this Declaration of Trust and that it correctly states the terms and conditions under which the trust property is to be held, managed and disposed of by the trustee, and I approve the Declaration of Trust.

\_\_\_\_\_  
John Doe, Grantor and Trustee

Dated: \_\_\_\_\_

## CERTIFICATE OF ACKNOWLEDGMENT OF NOTARY PUBLIC

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
 ) ss.  
County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_  
(here insert name and title of the officer), a notary public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature of Notary Public

[NOTARIAL SEAL]

My commission expires: \_\_\_\_\_

## **SCHEDULE A**

### **Property Placed in Trust**

1. Home located at 123 Garnet Ave, San Diego, CA.
2. 2015 Ford Explorer.

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John Doe, Grantor and Trustee

Dated: \_\_\_\_\_

Sample Trust