



August 21, 2023

Re: TrustIFS Spendthrift Trust Agreement

To Whom it May Concern:

I have reviewed the Non-Grantor, Irrevocable, Complex, Discretionary, Spendthrift Trust marketed and sold by Independent Financial Services Trust and copyrighted by Bradley & Hammond (the "Trust").

Every part of the Trust represents mainstream and proven elements of the Law of Trusts which have endured for many decades in the United States. Each core feature, such as irrevocability, spendthrift provisions, non-grantor classification and its classification as a complex rather than simple trust, can be found in trusted and respected Trust Law treatises written by experts in the field of trust law and are well-developed areas of statutory and case law throughout the United States. The novelty of the trust itself stems not from any variant legal doctrine, but rather from the unique interplay between the trust's core provisions, and how the trustee, by following the terms of the trust, is bound to comply with existing Internal Revenue Code (IRC) provisions and regulations.

Additionally, the Trust is in full compliance with Title 26, Subtitle A, Chapter 1, Subchapter 1, Part 1, Sections 59, 67, 543, 553, 927, as well as Subpart A, Section 641, Section 643 subparts (a), (b), (c), (d), Section 651 and Sections 672 through 678. It contains all five (5) essential requirements necessary take advantage of certain exclusions from trust accounting income under IRC Section 643, which is crucial to allow the trust to provide its intended tax advantages:

1. ***Irrevocability.*** A trust is irrevocable if the terms of the trust cannot be revoked or changed. The Trust is irrevocable by its express language. It cannot be revoked by the grantor or otherwise changed or modified.
2. ***Non-Grantor.*** The grantor, also referred to as the settlor, is the person who sets up the Trust. A non-grantor trust is a trust where the grantor is not a beneficiary of the trust and typically is not the trustee of the trust as well. The Trust expressly provides that the settlor cannot be a beneficiary of the trust.
3. ***Complex.*** A complex trust, by IRC definition, is any trust that retains some of its income and does not distribute all of its income to beneficiaries, or which distributes some or all of the principal to the beneficiaries or charities. The Trust provides that no income will be distributed

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West Texas
3001 West Loop 250
Midland, TX 79705
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unless directed by the trustee and the trustee must make sure the trust stays in compliance with IRC Section 643(b).

4. **Discretionary.** A discretionary trust is one in which the Trustee in his sole and absolute discretion can determine when to make distributions, and no distributions may be forced by a beneficiary even in a court of law. The Trust provides that the Trustee must conform with IRC Section 643(b) and allocate extraordinary dividends to corpus rather than distribute them to the beneficiaries, and otherwise grants the Trustee the sole power to determine when and if distributions are made.
5. **Spendthrift.** A spendthrift provision in a trust protects the assets of the trust from a beneficiary or their creditors. A beneficiary cannot assign their interest in the trust to any other person or entity before the interest is distributed and cannot be pledged as collateral or other security interest. The Trust is a spendthrift trust and contains robust spendthrift provisions to protect trust assets.

Assuming the Trust is properly executed, and the Trustee and Settlor comply with its terms and follow its requirements, significant asset protection and tax advantages can be gained. When used properly and in the right circumstances, the Trust is a valuable estate and tax planning tool and it receives my endorsement for its intended purposes.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Alexandra McCluskey', with a stylized, wavy line extending to the right.

Alexandra McCluskey, Esq.
Bradley & Hammond
Attorneys at Law

DISCLAIMER: While the author of this letter is an attorney, she is not your attorney unless you have executed a separate engagement agreement for the provision of legal services related to the Trust with Bradley & Hammond Attorneys at Law. This letter is a general endorsement of the Trust and is not intended to provide legal advice. If you have questions regarding how the trust will operate in your specific situation, it is strongly recommended that you engage legal counsel to evaluate the trust in context.