

_____ (the Trust)

NONJUDICIAL SETTLEMENT AGREEMENT: APPROVAL OF ACCOUNTS,
TERMINATION OF TRUST AND RELEASE AND INDEMNIFICATION OF TRUSTEE

The interested persons are _____, as the sole current trustee (“Trustee”); _____ as settlor (Settlor – if living); and _____ (Current Beneficiary) and _____ (Remainder Beneficiaries), collectively as the qualified beneficiaries (“Qualified Beneficiaries”) of the Trust. Each acknowledges and agrees to the following enumerated Recitals and Agreements.

RECITALS

1. By the Last Will and Testament of _____ dated _____ (the “Trust Agreement”), the Settlor set forth provisions to create the Trust for the benefit of the beneficiaries, to be administered following the death of the Settlor.

2. Among other things, the Trust Agreement provided that upon funding the Trust, distributions of income and/or principal may be made to or applied for the benefit of the Current Beneficiary, at such times and in such amounts as the Trustee, in its sole and absolute discretion, shall deem appropriate.

3. The Trust Agreement provides that upon the Settlor’s death, the Trust assets shall be divided into equal shares and distributed to the Settlor’s surviving children.

4. Settlor died on _____, his estate was probated in _____ County, Wisconsin and the Trust was established and funded according to the Trust Agreement.

5. The Trust was initially funded with \$_____ on __, 2015. Thereafter the Trust was administered by the Trustee. Copies of the Trust accountings that have not previously been distributed to the Qualified Beneficiaries are included with this Agreement.

6. The Qualified Beneficiaries believe the value of the trust property is insufficient to justify the cost of administration. The Qualified Beneficiaries would like the trust to be terminated and the trust assets distributed to the Current Beneficiary.

7. The Trustee is willing to terminate the trust and distribute the Trust assets to the Current Beneficiary provided that the Qualified Beneficiaries review and approve all of the Trustee’s accountings, and release and indemnify the Trustee from any further liability.

8. Under section 701.0111 of the Wisconsin Statutes, any person whose consent would be required to achieve a binding court-approved settlement may enter into a binding nonjudicial settlement agreement with respect to any matter involving a trust, and the agreement will be valid to the extent it includes terms and conditions that

could properly be approved by a court. Under section 701.0111(5) of the Wisconsin Statutes, matters that may be addressed in a nonjudicial settlement agreement include approval of a trustee's accounting, release of a trustee from liability. Under section 701.0111(4), the agreement may include any other term and condition that could be properly approved by a court under the Wisconsin Trust Code. A court may approve termination of an uneconomic trust under section 701.0414. The interested parties are willing to agree that the matters addressed in this Agreement are matters that may be properly addressed under a nonjudicial settlement agreement under Wisconsin law and that the purpose of this Agreement is to allow for an expeditious termination of the trust without a court approval of the accounts and actions of the trustee.

9. Under section 701.0414(4) a trust can be terminated if it is determined that the value of the trust property is insufficient to justify the cost of administration even if the trust property has a total value in excess of \$100,000. [Alternatively you could cite to other provisions in section 701.0411 – 701.0416, e.g. termination by consent (701.0411(2), unanticipated circumstances (701.0412), modification to achieve settlor's tax objectives (701.0416)]

10. Attorney _____ has represented the Qualified Beneficiaries in the preparation of this Agreement. Attorney _____ represents the Trustee.

NOW, THEREFORE, in consideration of the Recitals and the willingness of the Current Trustee to terminate the Trust, the interested parties agree as follows.

1. Approval of Accounts. The Qualified Beneficiaries have reviewed the accountings of the Current Trustee, and each approves those accountings and all actions of the Current Trustee.

2. Termination of Trust. The Trustee agrees to terminate the Trust pursuant to _____ of the [Wisconsin statutes or terms of the Trust Agreement] on the grounds that it would be [in the best interests of the beneficiaries.] The Qualified Beneficiaries consent to the termination and distribution of all of the Trust assets to the Current Beneficiary. After execution of this Agreement by all of the interested persons, the distribution upon termination will be paid in accordance with Section 701.0817 of the Wisconsin statutes to the Current Beneficiary. The Remainder Beneficiary consents to the distribution of all assets of the Trust to the Current Beneficiary and releases the Trustee from any liability with respect to the distribution to the Current Beneficiary.

3. Release and Indemnification. In consideration of the Trustee agreeing to terminate the trust, the Qualified Beneficiaries, jointly and severally, each release, exonerate and forever fully discharge the Trustee from any and all liability with respect to the actions taken or not taken by the Trustee incident to its administration of the Trust, including its agreement to terminate the Trust and distribute all of the Trust assets to the Current Beneficiary. The Qualified Beneficiaries agree to refrain from instituting or in any way aiding or proceeding upon any liability claim related to the

administration and termination of the Trust. The Qualified Beneficiaries further agree, jointly and severally, to indemnify and hold the Trustee harmless from and against any liability, losses, damages, judgments, taxes, interest, penalties, and expenses (including reasonable attorney's fees, court costs and expert witness fees), which the Trustee may at any time incur as a result of the administration or termination of the Trust.

4. Counterparts. This Agreement may be executed in counterparts, and each such counterpart will be deemed to be an original instrument, but all such counterparts together will constitute but one agreement.

5. Cooperation. The interested parties agree to execute any documents and take such further action necessary to carry out the terms of this Agreement and cause it to be fully effective.

6. Severability. If any one or more of the provisions of this Agreement is held to be invalid or unenforceable, the validity and enforceability of all other provisions of this Agreement will not be affected.

7. Authority to Execute. The interested parties represent and warrant that they have complete authority to enter into this Agreement.

8. Representation by Counsel. The interested parties represent that they are fully aware of the terms of this Agreement, and that they have had the opportunity to have this Agreement reviewed by independent legal counsel and have had the opportunity to obtain legal advice in connection with this Agreement.

9. Voluntary Nature. This Agreement has been entered into voluntarily by each of the interested parties, free of any duress or coercion.

10. Governing Law. The laws of the state of Wisconsin shall govern the interpretation of this Agreement, without regard to any conflict of law principles.

11. Venue. The interested parties agree that all actions or proceedings arising out of or from or related to this Agreement shall be litigated only in _____ County, Wisconsin. Each interested party consents and submits to the jurisdiction of any local, state, or federal court located within _____ County, Wisconsin, and waives any rights it may have to transfer or change the venue of any such action or proceeding.

12. Binding Effect. All the terms of this Agreement shall be binding upon and shall inure to the benefit of and shall be enforceable by the interested parties and the respective estates, heirs, beneficiaries, legatees, distributees, transferees, successors, assigns, and legal representatives of the interested parties, and for all persons claiming by, through, or under any or all of them.

Signed and dated as set out below.

Current Trustee

Dated: _____

By: _____

Dated: _____

Settlor – if living

Dated: _____

Current Beneficiary

Dated: _____

Remainder Beneficiary

Dated: _____

Remainder Beneficiary

Dated: _____

Remainder Beneficiary