

# **GORDON CHARITABLE TRUST**

Prepared by:

Paul Labiner, Esq.

Law Office of Paul Labiner

5499 No. Federal Hwy.

Suite K

Boca Raton, Florida 33487

Neal Simmons, CPA

7110 NW 4th Avenue

Boca Raton, FL 33487

**GORDON CHARITABLE TRUST**

THIS IS A TRUST AGREEMENT dated the 27th day of March, 2004, between LORI HEYMAN GORDON of Weston (described herein in the first person and sometimes referred to as the "Grantor"), and NEAL SIMMONS and DONALD W. ADAMS (collectively, the "Trustee").

WHEREAS, I desire to create a Charitable Remainder Unitrust, within the meaning of Section 6 of Rev. Proc. 90-31 and Code Secs. 664(d)(2) and (3) ("Code Sec." referring in this Agreement to the Internal Revenue Code of 1986, and "Reg." to the Treasury Regulations thereunder);

WHEREAS, the Trustee is willing to accept the trust hereby created and covenants to discharge faithfully the duties of a Trustee hereunder, and

WHEREAS, the Grantor reserves the right to use, teach, rewrite, edit and present any and all of the property described in Schedule "A" during the Grantor's lifetime.

NOW, THEREFORE, I hereby transfer property described on Schedule A hereto annexed, to the Trustee, IN TRUST, and the Trustee agrees to accept the property and to hold, manage and distribute the property under the terms of this Agreement.

**ARTICLE I**

**Name of Trust**

This Agreement and the trust hereunder may be referred to as the GORDON CHARITABLE TRUST.

## ARTICLE II

### Payments During Trust Term

In each taxable year of the trust, the Trustee shall pay to myself and Morris Gordon (hereinafter referred to as the "Recipients"), in equal shares during our lifetimes, the unitrust amount defined below.

## ARTICLE III

### Definition of Unitrust Amount

The unitrust amount shall be: (i) Five Percent (5%) of the gross income, including but not limited to fees, registration, training and products derived from the intellectual property, as outlined in Schedule "A".

**A. Frequency and Source of Payment.** The unitrust amount shall be paid in quarterly installments at the end of each calendar quarter from income. Any income of the trust for a taxable year in excess of the unitrust amount shall be added to principal.

## ARTICLE IV

### Remainder to Charity

Upon the death of the survivor Recipient, the Trustee shall distribute all of the then principal, income and intellectual property of the trust to the Pairs Foundation. LTD., aka Pairs Foundation, Inc. (the "Charity"). If any principal, income or intellectual property as outlined in Schedule "A", is not effectively disposed of by the preceding sentence, or if the Charity is not an organization described in the sections of the Code specified below at the time when the trust is to be distributed to it under any provision of this Agreement, then the Trustee



shall distribute such principal, income and intellectual property to such organization or organizations described in Code Secs. 170(c), 2055(a), and 2522(a), in such amounts or proportions as the Trustee shall select in the sole discretion of the Trustee.

## **ARTICLE V**

### **Additional Contributions Permitted**

If any additional contributions are made to the trust after the initial contribution, the unitrust amount for the year in which the additional contribution is made shall be equal to the Five Percent (5%) of the gross income of the trust assets, as defined in Article III.

## **ARTICLE VI**

### **Prohibited Transactions**

Except for the payment of the unitrust amount to the Recipients, the Trustee is prohibited from engaging in any act of self-dealing as defined in Code Sec. 4941(d), from retaining any excess business holdings as defined in Code Sec. 4943(c) which would subject the trust to tax under Code Sec. 4943, from making any investments which would subject the trust to tax under Code Sec. 4944, and from making any taxable expenditures as defined in Code Sec. 4945(d). The Trustee shall make distributions at such time and in such manner as not to subject the trust to tax under Code Sec. 4942.

## **ARTICLE VII**

### **Taxable Year**

The taxable year of the trust shall be the calendar year.

## ARTICLE VIII

### **Trustee Must Not Disqualify Trust**

The Trustee is prohibited from exercising any power or discretion granted under any law or this Agreement that would be inconsistent with the qualification of the trust under Code Secs. 664(d)(2) and (3) and the corresponding Regulations. Any "unmarketable assets" (as defined by Reg. § 1.664-1(a)(7)(ii)) transferred to or held by the trust shall be valued in accordance with Reg. § 1.664-1(a)(7).

## ARTICLE IX

### **Limited Power of Amendment**

The trust is irrevocable and I shall have no power to amend it. The Trustee, however, shall have the power, acting alone, to amend the trust in any manner required for the sole purpose of ensuring that the trust qualifies and continues to qualify as a charitable remainder unitrust within the meaning of Code Secs. 664(d)(2) and (3). References to the Internal Revenue Code and the Regulations shall be deemed to incorporate changes enacted or promulgated after the date of this Agreement to whatever extent is necessary to ensure such continuing qualification.

## ARTICLE X

### **Investment of Trust Assets**

Nothing in this Agreement shall be construed to restrict the Trustee from investing the trust assets in a manner that could result in the annual realization of a reasonable amount of income or gain from the sale or disposition of trust assets.

## ARTICLE XI

### Trustees

#### A. Trustee Appointments.

1. A Trustee who is a party to this Agreement shall serve as Trustee of each trust under this Agreement except where this Article or some other provision of this Agreement specifically provides otherwise.

#### B. General Provisions Regarding Fiduciaries.

1. A Trustee who is named by me to take office upon my death shall serve together with any then-serving Trustee who is a party to this Agreement or any then-serving successor Trustee or Co-Trustee.

2. Except as may be expressly provided elsewhere in this Agreement, the Trustee shall be entitled to serve based on the following rules:

- a. first, each Trustee who is a party to this Agreement shall be entitled to serve;
- b. second, a then-serving Co-Trustee effectively appointed by another Trustee shall be entitled to continue serving; and
- c. third, a successor Trustee effectively appointed by another shall be entitled to serve.

#### C. Additional Provisions Regarding Changes in Fiduciaries.

1. Any Trustee may resign at any time without court approval and whether or not a successor has been appointed.

2. Each individual Trustee (including successors) shall have the right to appoint a successor individual Trustee by an instrument in writing, such appointment to take effect upon the death, resignation or incapacity of the appointing Trustee. An appointment may be changed or revoked until it takes effect.

3. The individuals (and any corporation) acting as the Trustee may at any time acting unanimously by written instrument appoint an individual or a corporation with fiduciary powers as a Co-Trustee.

**D. Accountings & Other Proceedings.**

1. I direct that a trust hereunder be subject to independent administration with as little court supervision as the law allows. The Trustee shall not be required to render to any court annual or other periodic accounts, or any inventory, appraisal, or other returns or reports, except as required by applicable state law. The Trustee shall take such action for the settlement or approval of accounts at such times and before such courts or without court proceedings as the Trustee shall determine. The Trustee shall pay the costs and expenses of any such action or proceeding, including but not limited to the compensation and expenses of attorneys and guardians, out of the property of the trust. The Trustee shall not be required to register any trust hereunder.

2. I direct that in any proceeding relating to a trust hereunder, service upon any person under a legal disability need not be made when another person not under a disability is a party to the proceeding and has the same interest as the person under the disability. The person under the disability shall nevertheless be bound by the results of the proceeding. The same rule shall apply to non-judicial settlements, releases, exonerations, and indemnities.

**E. Governing Law and Trustee Powers.** The interpretation and operation of the trust shall be governed by the laws of the State of Florida. The Trustee may, without prior authority from any court, exercise all powers conferred by this Agreement or by common law or by any Fiduciary Powers Act or other statute of the State of Florida or any other jurisdiction whose law applies to the trust. The Trustee shall have absolute discretion in exercising these powers. Except as specifically limited by this Agreement, these powers shall extend to all property held by the Trustee until actual distribution of the property.



1. The Trustee may sell or exchange any real or personal property contained in the Trust Fund, for cash or credit, at public or private sale, and with such warranties or indemnifications as the Trustee may deem advisable.

2. The Trustee may grant security interests and execute all instruments creating such interests upon such terms as the Trustee may deem advisable.

3. The Trustee may make all tax elections and allocations the Trustee may consider appropriate; however, this authority is exercisable only in a fiduciary capacity and may not be used to enlarge or shift any beneficial interest except as an incidental consequence of the discharge of fiduciary duties. Tax elections and allocations made in good faith shall not require equitable adjustments.

4. The Trustee may divide and distribute the assets of the Trust Fund in kind, in money, or partly in each, without regard to the income tax basis of any asset and without the consent of any beneficiary. The decision of the Trustee in dividing any portion of the Trust Fund between or among multiple beneficiaries shall be binding on all persons.

**F. Additional General Provisions Regarding Fiduciaries.**

1. Except to the extent specifically provided otherwise in this Agreement, references to the Trustee shall, in their application to a trust hereunder, refer to all those from time to time acting as Trustees of that trust. If just two Trustees are eligible to act on a given matter, the act shall require unanimity. If three or more Trustees are eligible to act on a given matter, the act shall require a majority. Subject to that, in references to Trustee, the singular shall include the plural, and the plural the singular, where appropriate.

2. Individual Trustees shall receive compensation in accordance with the laws of the State of Florida in effect at the time of payment, unless the Trustee waives compensation, provided that my Husband and descendants shall serve without compensation. A corporate Trustee shall be compensated by agreement with the individual Trustee or in the absence of such





agreement in accordance with its fee schedule as in effect at the time of payment. I authorize a corporate Trustee to charge additional fees for services it provides to a trust hereunder that are not comprised within its duties as Trustee, for example, a fee charged by a mutual fund it administers in which a trust hereunder invests, or a fee for providing an appraisal, or a fee for providing corporate finance or investment banking services. I also recognize that a corporate Trustee may charge separately for some services comprised within its duties as Trustee, for example a separate fee for investing cash balances or preparing tax returns. Such separate charges shall not be treated as improper or excessive merely because they are added on to a basic fee in calculating total compensation for service as Trustee.

3. No Trustee shall be liable to anyone for anything done or not done by any other Trustee or by any beneficiary.

4. The fact that a Trustee is active in the investment business shall not be deemed a conflict of interest, and purchases and sales of investments may be made through a corporate Trustee or through any firm of which a corporate or individual Trustee is a partner, shareholder, proprietor, associate, employee, owner, subsidiary, affiliate or the like, and property of a trust hereunder may be invested in individual securities, mutual funds, partnerships, private placements, or other forms of investment promoted, underwritten, managed, or advised by a Trustee or such a firm.

5. The Trustee may but need not favor retention of assets originally owned by me.

6. The fact that a Trustee (or a firm of which a Trustee is a member or with which a Trustee is otherwise affiliated) renders legal or other professional services to a trust hereunder shall not be deemed a conflict of interest, and the Trustee shall pay fees for such services to such Trustee or firm without prior approval of any court or any beneficiary and whether or not there is a Co-Trustee to approve such payment. An attorney or other Trustee who also renders



professional services may receive full compensation for both services as Trustee and the professional services rendered, except as specifically limited by law.

7. A Trustee may irrevocably release one or more powers held by the Trustee while retaining other powers.

8. Any Trustee may delegate to a Co-Trustee any power held by the delegating Trustee, but only if the Co-Trustee is authorized to exercise the power delegated. A delegation may be revocable, but while it is in effect the delegating Trustee shall have no responsibility concerning the exercise of the delegated power.

## **ARTICLE XII**

### **Exemption from Security**

No Trustee shall be required to give bond or other security in any jurisdiction, and if despite this exoneration a bond is nevertheless required, no sureties shall be required.

## **ARTICLE XIII**

### **Not a Grantor Trust**

It is intended that I not be treated under Subpart E of Part I of Subchapter J of Chapter 1 of the Code as the owner of any trust created hereunder and I direct that this Agreement shall be construed and the trusts hereunder administered in accordance with and to carry out that intent. Accordingly, during my lifetime and notwithstanding any other provision of this Agreement, neither I nor any other "nonadverse party" as that term is used in Code Sec. 672(b) shall have the power (1) to purchase, exchange or otherwise deal with or dispose of any principal or income of any trust hereunder for less than an adequate consideration in money or money's worth, or (2) to borrow any principal or income of any trust hereunder, directly or

indirectly, without adequate interest or adequate security; no person in a non-fiduciary capacity shall have the power (1) to vote or direct the voting of stock or other securities of a corporation in which the holdings of me and any trust hereunder are significant from the viewpoint of voting control, (2) to control the investment of any trust assets either by directing investments or reinvestment or by vetoing proposed investments or reinvestment, to the extent that the trust assets consist of stocks or securities of a corporation in which the holdings of me and the trust are significant from the viewpoint of voting control, or (3) to reacquire any trust assets or any portion thereof by substituting other property of an equivalent value; the Trustee shall not use any income of any trust hereunder within the meaning of Code Sec. 677 (including, without limitation, capital gain) directly or indirectly to pay premiums on policies of insurance on the life of my Husband and/or me (including, but without limitation, any form of split-dollar arrangement with respect to such insurance); no one (including, but not limited to, my Husband and me) shall hold or participate in the disposition in respect of the beneficial enjoyment of the principal or income of any trust hereunder within the meaning of Code Sec. 674(a) except that the Trustee (other than my Husband or me), no more than half of whom are related or subordinate to my Husband or me may, to the extent, if any, otherwise expressly set forth herein, exercise the powers set forth in Code Sec. 674(c), and except that the Trustee (other than my Husband) may, to the extent, if any, otherwise expressly set forth herein, exercise the power set forth in Code Sec. 674(b)(4); no court, other than a court within the United States, shall exercise primary supervision over the administration of any trust hereunder and no person, other than a United States person, shall have the authority to control any substantial decision of any trust hereunder, within the meaning of Code Sec. 7701(a)(30)(E).



## ARTICLE XIV

### Definitions and Miscellaneous Provisions

The following definitions and miscellaneous provisions shall apply under this Agreement:

**A. Disabled Trustee Definition.** A Trustee is "disabled" "and while disabled shall not serve as Trustee" when a written certification is in effect that the examined Trustee is physically or mentally incapable of managing the affairs of the trust, whether or not there is an adjudication of the Trustee's incompetence.

1. This certification shall be valid only if it is signed by at least two (2) physicians, each of whom has personally examined the Trustee and at least one (1) of whom is board certified in the specialty most closely associated with the alleged disability.

2. This certification need not indicate any cause for the Trustee's disability.

3. A certification of disability shall be rescinded when a serving Trustee receives a certification that the former Trustee is capable of managing the trust's affairs. This certification, too, shall be valid only if it is signed by at least two (2) physicians, each of whom has personally examined the Trustee and at least one (1) of whom is board certified in the specialty most closely associated with the former disability.

4. No person is liable to anyone for actions taken in reliance on the certifications under this paragraph, or for dealing with a Trustee other than the one removed for disability based on these certifications.

**B. Code and Regulations.** References to the "Internal Revenue Code" or "Code" or to provisions thereof are to the Internal Revenue Code of 1986, as amended at the time in question. References to the "Regulations" or "Regs." are to the Treasury Regulations under the Internal Revenue Code. If, by the time in question, a particular provision of the Code has been

renumbered or the Code has been superseded by a subsequent Federal tax law, the reference shall be deemed to be to the renumbered provision or the corresponding provision of the subsequent law, unless to do so would clearly be contrary to my intent as expressed in this Agreement, and a similar rule shall apply to references to the Regulations.

## **ARTICLE XV**


### **Manifestation of Trustee's Actions**

When a Trustee or the Trustees take action that is authorized hereunder and such action does not involve the participation of another person who is not acting as a Trustee of such trust with respect to such action, the Trustee or Trustees, as the case may be, shall execute, within a reasonable time of taking such action, an acknowledged, written instrument describing the action taken, which instrument shall be maintained with the trust records and either filed in the court having jurisdiction over the trust or delivered to one or more of the adult and competent beneficiaries then eligible or entitled to distributions of income or principal of such trust or, if there is no such beneficiary, to one or more of the parent(s), guardian(s) of the person, conservator(s) or committee of the minor or incompetent beneficiaries then eligible or entitled to distributions of income or principal of such trust. Failure to execute or to file or deliver the instrument shall not make the action taken by a Trustee void, voidable or ineffective, and the Trustee or Trustees, as the case may be, shall not be subject to any liability or surcharge for failure to document such action.

IN WITNESS WHEREOF, the Trustee and I have signed this Agreement,  
effective the day and year first above written and executed by each of us on the dates set forth  
below.


Dated:

March 27, 2004

  
\_\_\_\_\_  
LORI HEYMAN GORDON,  
as Grantor

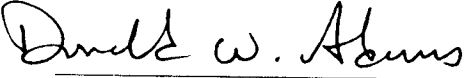
Dated:

March 27, 2004

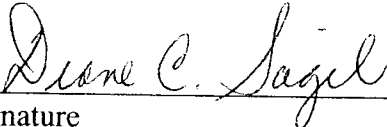
  
\_\_\_\_\_  
NEAL SIMMONS,  
as Trustee


Dated:

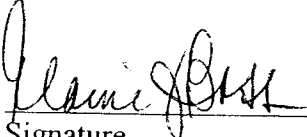
March 27, 2004

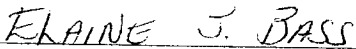
  
\_\_\_\_\_  
DONALD W. ADAMS,  
as Trustee

WITNESSES:

  
\_\_\_\_\_  
Signature

  
\_\_\_\_\_  
Print Name

  
\_\_\_\_\_  
Signature

  
\_\_\_\_\_  
Print Name

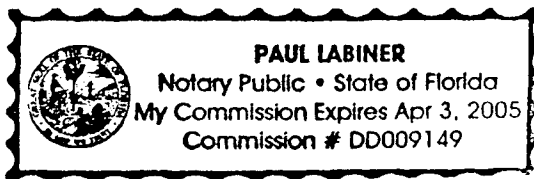
STATE OF FLORIDA )

) ss:

PALM BEACH COUNTY )

I HEREBY CERTIFY that on this 27 day of MARCH, 2004, before me, the subscriber, a Notary Public in and for PALM BEACH COUNTY, Florida, personally appeared Lori Heyman Gordon, Grantor, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the foregoing Agreement, and acknowledged that the foregoing Agreement was executed by Lori Heyman Gordon, as Grantor, for the purposes therein contained.

WITNESS my hand and notarial seal.



[Signature]  
PAUL LABINER  
Notary Public

We, Lori Heyman Gordon, DIANE C. SAGIL and ELAINE J. BASS, the Grantor and the witnesses, respectively, whose names are signed to the attached or foregoing Agreement, having been sworn, declared to the undersigned officer that the Grantor, in the presence of witnesses, signed the Agreement as the Grantor's trust, that the Grantor signed or directed another to sign for the Grantor, and that each of the witnesses, in the presence of the Grantor and in the presence of each other, signed the trust as a witness.

[Signature]  
LORI HEYMAN GORDON, Grantor

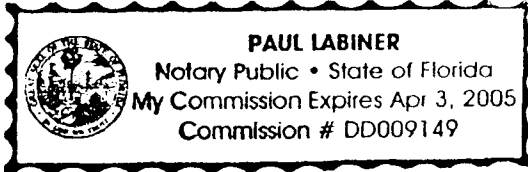
[Signature]  
Witness

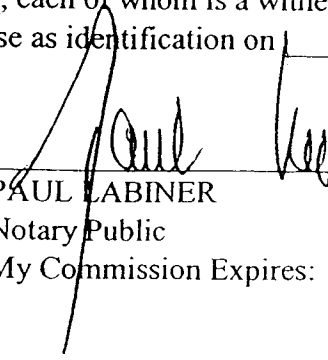
[Signature]  
Witness

Subscribed and sworn to before me by Lori Heyman Gordon, the Grantor, and

DIANE C. SAGIL and

ELAINE J. BASS, each of whom is a witness, who is personally known to me or who has produced a driver's license as identification on \_\_\_\_\_.



  
\_\_\_\_\_  
PAUL LABINER  
Notary Public  
My Commission Expires:



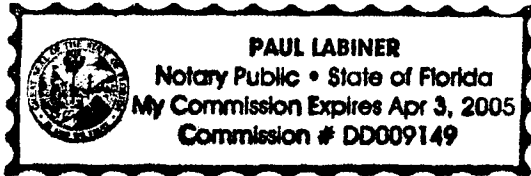
STATE OF FLORIDA )

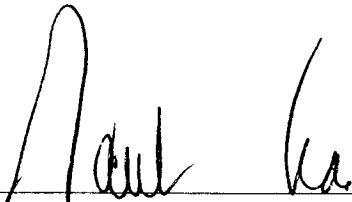
) ss:

County of Palm Beach )

I HEREBY CERTIFY that on this 27th day of March, 2004, before me, the subscriber, a Notary Public in and for Palm Beach County, Florida, personally appeared Neal Simmons, Trustee, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the foregoing Agreement, and acknowledged that the foregoing Agreement was executed by Neal Simmons, as Trustee, for the purposes therein contained.

WITNESS my hand and notarial seal.



  
\_\_\_\_\_  
PAUL LABINER  
Notary Public

My Commission Expires:  
\_\_\_\_\_

STATE OF Florida

) ss:

COUNTY Palm Beach

I HEREBY CERTIFY that on this 27th day of March, 2004, before me, the subscriber, a Notary Public in and for Palm Beach FL, personally appeared Donald W. Adams, Trustee, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the foregoing Agreement, and acknowledged that the foregoing Agreement was executed by Donald W. Adams, as Trustee, for the purposes therein contained.

WITNESS my hand and notarial seal.

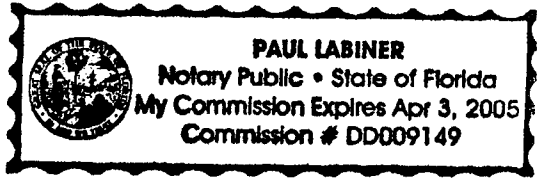
*Paul Labiner*

\_\_\_\_\_

Notary Public

My Commission Expires:

\_\_\_\_\_



## SCHEDULE A

### GORDON CHARITABLE REMAINDER TRUST

The property transferred by the Grantor to the Trustee pursuant to the attached Trust Agreement is as follows:

**PAIRS JUMPSTART** - One-day introduction to PAIRS. Learn the 4-C's for intimacy: Confiding, Complaining, Clarifying, and Concluding.

**If you *Really* Loved Me ...** - one-day advanced workshop. Clarify "intimacy-destroying" Love Knots - relationship triangles of unspoken assumptions and hidden expectations.

**Passage to Intimacy** - PAIRS basic two-day relationship skills workshop: enhance closeness via concepts and skills for confiding, problem solving, and healing of past hurts.

**PAIRS First** - This eight-session workshop contains a wide range of relationship skills to create, repair and sustain committed intimate relationships. Program content is also used in the **PAIRS Four-Day Couples Intensive**.

**Christian PAIRS** - A ten-session integration of Biblical teachings and dynamic relationship skills that promote a fulfilling and loving Christian marriage.

**PrePAIRS for Catholic Marriage** - A five-session introduction of the canonical principles and relationship skills fundamental to a lasting marriage.

**PrePAIRS for Jewish Marriage** - A five-session integration of Biblical folklore and PAIRS skills for making wise decisions about marriage and family.

**PrePAIRS for Christian Marriage** - Five sessions that bring scriptural understanding to the establishment of a Christian marriage that uses PAIRS tools for lasting love.

**PAIRS BASIC for the Military** - Three-day program is designed to strengthen the military couple to better withstand unique stresses of change, separation and danger.

**PAIRS *Coming of Age*** - Weekend workshop for individuals and couples at mid-life and older, that uses meditation, journaling and PAIRS exercises for life-review, turning points and transition into eldering.

**PAIRS for PEERS - *Pairs Initiative Against Violence***. Three ten-session modules of relationship skills for children and teens for use in schools and youth programs.

**Family PAIRS** - Two five-hour group experiences in which parents and children (ages 7 - college) joyfully practice healthy communication skills within the family.

**Florida Pre-Marriage Program** - A four-hour workshop that provides an introduction to the basic concepts and tools needed for a lasting, healthy marriage.

**Florida Pre-Divorce Program** - A four-hour workshop to help parting couples understand the impact of divorce on children and gain skills for effective two-home communication and problem-solving.

**The PAIRS Relationship Mastery Program** – This original 120-hour PAIRS Program teaches skills that develop self awareness, couple awareness, communication skills, emotional literacy, family-of-origin influences, ability to fight fairly using negotiation skills, clarifying relationship expectations and goal setting. The most important investment a couple can make in their relationship.


**PAIRS Connection to Wellness** - This training for health care professionals is to be used either as a preventative program, or with patients for recovery and rehabilitation following illness or surgery in order to optimize their health by learning skills to achieve a meaningful level of connection.


**PAIRS Bridging Differences** - This two-day training is for case workers and social workers in refugee resettlement agencies. The basic communication and stress management tools taught are key elements in the health and wellness of refugees as they face the incredible challenges of their ongoing cultural adjustment process.

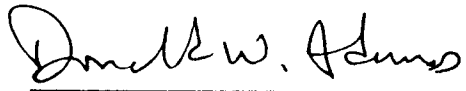
**PAIRS Family Experience** – A five-hour group experience in which parents and children (7-college age) learn and then practice healthy communication skills within the family.

**PAIRS UP** – This two-day program contains concepts and skills for new parents before and/or around the time of childbirth to help deepen their intimacy and strengthen their connection so that marriage and family stability can occur for their child.

Executed this 21<sup>st</sup> day of March 2004.

  
\_\_\_\_\_  
LORI GORDON, PhD, Grantor

  
\_\_\_\_\_  
NEAL SIMMONS, Co-Trustee

  
\_\_\_\_\_  
DONALD P. ADAMS, Co-Trustee


**SCHEDULE B**

**GORDON CHARITABLE REMAINDER TRUST**

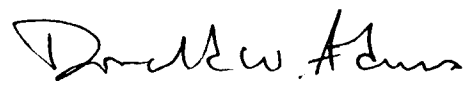
The charitable organizations (whether one or more) that shall constitute the Charitable Beneficiary of the trust, and the proportions of the trust property that shall be distributable to each upon termination of the trust, are as follows:

<u>Name of Charitable Organization</u>	<u>Proportion</u>
PAIRS FOUNDATION, LTD.,  aka PAIRS FOUNDATION, INC.	100%

Executed this 21<sup>st</sup> day of March 2004.

  
\_\_\_\_\_  
LORI GORDON, PhD, Grantor

  
\_\_\_\_\_  
NEAL SIMMONS, Co-Trustee

  
\_\_\_\_\_  
DONALD P. ADAMS, Co-Trustee

1 October 2004

I hereby assign my interest in that part of my intellectual property, as specifically designated in Schedule A of the Jordan Charitable Remainder Trust dated 27 March 2004, as of 1 October 2004, based on an assumed value of \$500,000. A formal independent appraisal of said intellectual property is to be completed prior to the filing of my 2004 federal income tax return.

Lori Dezman Jordan