

annuity being paid, first from the income of the Trust, and, to the extent that income shall be insufficient, from the principal thereof. Any income of the Trust in excess of the annuity paid pursuant to the provisions of this paragraph shall be added to principal. In determining the value of said annuity, assets shall be valued as of the Funding Date, as finally determined for Federal gift tax purposes.

1. If the initial net fair market value of the trust assets shall be incorrectly determined by the Trustees, then within a reasonable period after the final determination of the correct value, the Trustees shall pay to the Grantor (in the case of an undervaluation) or the Grantor shall pay to the Trustees (in the case of an overvaluation) an amount equal to the difference between the annuity properly payable and the annuity actually paid, as required by Treas. Reg. §1.664-2(a)(1)(iii), plus interest on such amounts computed at the rate required by the applicable Treasury Department regulations or, if there are no such regulations, the rate used for valuing annuity interests under Section 664 of the Code, compounded annually.

2. The Trustees are prohibited from issuing a note, other debt instrument, option or similar financial arrangement in satisfaction of the annuity payment obligation.

3. No additional contributions may be made to the Trust created hereunder.