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DONESKI PERSONAL RESIDENCE TRUST

2015 069543

This trust agreement is made this 26th day of September, 2015, by and between, Naum Doneski , (hereinafter "the Transferor"), and Sevia Vazanellis as the trustee (hereinafter "the Trustee"), and George Vazanellis as the successor trustee (hereinafter "the Successor Trustee") hereby creating the Doneski Personal Residence Trust.

ARTICLE I. RETAINED INTEREST AND IRREVOCABILITY

A. Retained Interest. The Transferor intends to establish a qualified personal residence trust within the meaning of Rev. Proc. 2003-42, § 2702(a)(3)(A) of the Internal Revenue Code (hereinafter "the Code"), and § 25.2702-5(c) of the Gift Tax Regulations (hereinafter "the regulations"). Accordingly, the Transferor retains no right, title, or interest in any trust asset except as specifically provided in this trust instrument.

B. Irrevocable. This trust is irrevocable and therefore may not be modified, amended, or revoked by the Transferor or any other person. Notwithstanding the preceding sentence, however, the Trustee shall have the power, acting alone, to amend the trust to the extent provided in § 25.2702-5(a)(2) of the regulations (or any subsequent regulation or statute) in any manner required for the sole purpose of ensuring that the trust qualifies as a qualified personal residence trust for purposes of § 2702(a)(3)(A) of the Code and §25.2702-5(c) of the regulations (including with respect to the grantor retained annuity trust ("GRAT") administered under Article III, the qualification of the annuity interest under § 2702(b)(1) of the Code and § 25.2702-3 of the regulations).

ARTICLE II. QUALIFIED PERSONAL RESIDENCE TRUST

A. Funding of the Qualified Personal Residence Trust ("QPRT").

(1) Residence. The Transferor transfers and assigns to the Trustee all of the Transferor's interests in and rights to certain real property, including all improvements thereon and appurtenances thereto, known as Wynbrook Subdivision Phase 1 Lot 13, commonly known as 11103 Wynbrook Drive, Crown Point, Lake County, Indiana 46307. This property, or any property acquired as a replacement, will hereinafter be referred to as the "Residence." The Trustee accepts the Residence and agrees to hold, manage, and distribute the Residence and any other trust property under the terms set forth in this instrument.

(2) Assets of Trust. Except as provided in Paragraphs A(3), B(6), and D of this Article II, the Trustee is prohibited from holding, at any time during the term of the QPRT, any property other than (a) an interest in one (and only one) Residence that meets the

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requirements of a personal residence of the Transferor as set forth in § 25.2702-5(c)(2) of the regulations, and (b) policies of insurance on the Residence.

(3) Additions to QPRT. From time to time, the Trustee may accept an addition of cash to the QPRT in an amount which, when added to any cash already held, does not exceed the amount reasonably required for: (a) the payment of QPRT expenses (including without limitation mortgage payments) already incurred or reasonably expected to be paid by the trust within 6 months after the date the addition is made; (b) the cost of improvements to the Residence to be paid by the trust within 6 months after the date the addition is made; and (c) the purchase by the trust of a replacement Residence within 3 months after the date the addition is made, provided that no addition may be made, or held by the Trustee, for the purchase of a replacement Residence unless the Trustee has, prior to receipt of the addition, entered into a contract to purchase that Residence. The Trustee shall hold the additions of cash received in accordance with this paragraph in a separate account.

B. Administration of Trust.

(1) Use and Management of Residence. The Trustee shall hold and maintain the Residence as a personal residence of the Transferor during the period beginning on the date of creation of the trust and continuing through the date of termination of the trust (hereinafter "the term of the QPRT"). During the term of the QPRT, the Transferor shall have the exclusive rent-free use, possession, and enjoyment of the Residence.

(2) Payment of Expenses. The Transferor shall be responsible for the payment of all costs associated with the Residence, including but not limited to mortgage payments, property taxes, utilities, repairs, maintenance, and insurance. The Trustee's responsibility for the maintenance of the Residence and for other costs associated with the Residence is limited to the extent of any trust income and additions of cash for that purpose received by the Trustee in accordance with this Article II. If the Trustee has insufficient funds to pay these costs and expenses, the Trustee shall notify the Transferor, who shall be responsible for the unpaid balance of these costs and expenses. In addition, the Trustee from time to time may make improvements to the Residence, but the Trustee's authority and responsibility to do so is limited to the extent of any trust income, insurance proceeds, and additions of cash for that purpose received by the Trustee in accordance with this Article II.

(3) Distributions of Cash to Transferor. Any net income of the QPRT shall be distributed to the Transferor, not less frequently than annually. In addition, the Trustee shall determine, not less frequently than quarterly, whether the cash held by the QPRT exceeds the amount permitted to be held by the Trustee and shall immediately distribute the excess, if any, to the Transferor. Within 30 days of the date of the termination of the QPRT, the Trustee shall distribute outright to the Transferor (or to the estate of the Transferor, as the case may be), any amounts held by the QPRT pursuant to Paragraph A(3) of this Article II that are not used to pay QPRT expenses due and payable on the date of termination (including expenses directly related to the termination of the QPRT).

(4) Reinvestment of Trust Assets. Except as provided in Paragraph B(5) of this Article II, the Trustee may sell the Residence from time to time upon terms and conditions the Trustee deems appropriate. The Trustee may disburse from time to time any part or all of the amounts described in Paragraph A(1) and A(3) above and Paragraph B(6) below, including all income and capital gains thereon, as the Trustee deems appropriate for the purchase or construction of a replacement Residence to be owned by the trust or for the reconstruction or repair of the Residence. These disbursements shall be made, and any reconstruction and repairs shall be completed, within the time periods necessary to allow this trust to continue to qualify as a QPRT, but the Trustee shall not be held liable for any failure in this regard unless the Trustee has acted (or failed to act) through willful default or gross negligence.

(5) Prohibition on Sale of Residence to Transferor or Related Parties. The Trustee is prohibited from selling or transferring (as defined in § 25.2702-5(c)(9) of the regulations) the Residence, directly or indirectly, to the Transferor, the Transferor's spouse, or an entity controlled by the Transferor or the Transferor's spouse during the retained term interest of the QPRT, or at any time after the termination of the retained term interest in the QPRT while the trust is treated as owned in whole or in part by the Transferor or the Transferor's spouse under §§ 671 through 678 of the Code.

(6) Receipt of Proceeds With Respect to Residence. If the Residence is sold, the Trustee shall hold the proceeds of the sale (along with any income accrued thereon) in a separate account. If the Residence is damaged, destroyed, or involuntarily converted within the meaning of § 1033 of the Code, the Trustee shall hold any proceeds payable as a result thereof (consisting either of insurance proceeds in the case of damage or destruction to the Residence or the proceeds payable upon involuntary conversion) in a separate account. The proceeds (and any interest thereon) so received shall be held, administered, and distributed by the Trustee as provided in this Article II.

(7) Commutation of Interests. The Transferor's interest in the QPRT may not be sold, commuted, or prepaid by any person.

(8) Prohibited Distributions. Except to the extent provided in Paragraph D below, the Trustee may not make any distribution of income or principal from the QPRT to or for the benefit of any person other than the Transferor prior to the termination of the QPRT.

C. Termination of Trust. The trust's date of termination shall be the earlier of April 9, 2039 or the date of the Transferor's death. Except as otherwise provided in Paragraph D below, the Trustee shall distribute the trust property at the end of the term of the QPRT as provided in this Paragraph C. If the date of termination is April 9, 2039 the Trustee shall distribute all of the property of the trust (other than any amounts due the Transferor pursuant to this trust instrument) to Leina Christine Doneski and Antonio George Doneski in equal shares. If the date of termination is the earlier death of the Transferor, the Trustee shall distribute all trust property (other than any amounts due the Transferor's estate pursuant to this trust instrument) to Leina Christine Doneski and Antonio George Doneski in equal shares.

D. Cessation of Qualification as a Personal Residence Trust. (1) Cessation Date.

(a) The trust shall cease to be a QPRT on the date on which the Residence ceases to be used or held for use as a personal residence of the Transferor within the meaning of §25.2702-5(c)(7) of the regulations (other than for reasons described in Paragraphs D(1)(b) or D(1)(c) below).

(b) In the event of a sale of the Residence, the trust shall cease to be a QPRT on the first to occur of the following: (i) the date which is 2 years after the date of sale; (ii) the date of termination as determined in Paragraph C above; or (iii) the date on which a replacement Residence is acquired by the Trustee. If the first to occur is the acquisition of a replacement Residence by the Trustee, then the QPRT shall continue with respect to that replacement Residence, and the trust shall cease to be a QPRT only to the extent of any sale proceeds then held by the Trustee and not used for the purchase of the replacement Residence.

(c) If the Residence is damaged or destroyed, thus making it unusable as a personal residence, the trust shall cease to be a QPRT on the first to occur of the following dates: (i) the date that is 2 years after the date of damage or destruction; (ii) the date of termination as determined in Paragraph C above; or (iii) replacement of or repairs to the Residence are completed or a new Residence is acquired by the Trustee. If the first to occur is the completion of the replacement or repair (or the acquisition of a new Residence), then the QPRT shall continue with respect to the repaired Residence or the new Residence, and the trust shall cease to be a QPRT only to the extent of any insurance proceeds then held by the Trustee and not used for the replacement or repair of the Residence (or the purchase of the new Residence).

(2) Distribution on Cessation. Within 30 days after the date on which the trust ceases to be a QPRT with respect to any of its assets, and after satisfying the provisions of Paragraph B(3) of this Article II, the Trustee shall distribute the trust assets with respect to which the trust has ceased to qualify as a QPRT to a separate share of this trust to be referred to and administered as a GRAT in accordance with Article III below. That GRAT shall continue until the date of termination as defined in Paragraph C above.

(3) Multiple GRATs. Because it may be possible to have more than one cessation of qualification during the term of the QPRT, the Trustee shall create and fund a separate GRAT for each cessation and each GRAT shall be administered as a separate share of the trust in accordance with Article III below.

ARTICLE III. GRANTOR RETAINED ANNUITY TRUST

Each GRAT administered as a separate share under this Article III (each of which is referred to as "the GRAT" with regard to that separate share) is intended to provide for the payment of a qualified annuity interest as defined in § 25.2702-3 of the regulations for the benefit of the Transferor. No amount shall be paid before the termination of this trust other than to or for the Transferor's benefit.

A. Right to Receive Annuity. In each taxable year of the GRAT, beginning with the year beginning on the cessation date (as defined below), the Trustee shall pay to the Transferor an annuity, the amount of which shall be determined in accordance with Paragraph D of this Article III. The right of the Transferor to receive the annuity amount begins on the cessation date.

B. Cessation Date. The cessation date is the date on which the Residence ceases to be used or held for use as a personal residence of the Transferor, the date of sale of the Residence, or the date of damage to or destruction of the Residence that renders the Residence unusable as a residence, as the case may be.

C. Payment of Annuity. The annuity amount shall be paid in equal quarterly installments. The annuity amount shall be paid first from the net income of the GRAT and, to the extent net income is not sufficient, from principal. The Trustee may defer payment of any annuity amount otherwise payable after the cessation date until the date that is 30 days after the date that the assets are converted to a GRAT as provided in this trust instrument. Any deferred payment of the annuity amount shall bear interest for the period of deferral, compounded annually, at a rate not less than the rate prescribed in § 7520 of the Code in effect on the cessation date. The Trustee shall reduce the aggregate deferred annuity payments by the amount of income actually distributed to the Transferor during the deferral period.

D. Computation of Annuity Amount.

The amount of the annuity payable to the Transferor shall be determined as follows.

(1) If, on the date that any property of the trust is converted from the QPRT to a GRAT (hereinafter the "conversion date"), the assets of the trust do not include a Residence used or held for use as a personal residence of the Transferor, the annuity shall be the amount determined by dividing the lesser of (a) the value of the interest retained by the Transferor (as of the date of the original transfer) or (b) the value of all the trust assets (as of the conversion date) by the annuity factor determined (i) for the original term of the Transferor's interest and (ii) at the rate used in valuing the retained interest at the time of the original transfer to the QPRT.

(2) If, on the conversion date, the assets of the trust include a Residence used or held for use as a personal residence of the Transferor, the annuity shall be the amount determined under subparagraph (1) of this Paragraph D multiplied by a fraction. The numerator of the fraction is the excess of the fair market value of the assets of the trust on the conversion date over the fair market value of the assets as to which the trust continues as a QPRT, and the denominator of the fraction is the fair market value of the trust assets on the conversion date.

(3) In computing the annuity amount for any second or subsequent GRAT to be administered under this Article III, the Trustee shall make appropriate adjustments to the formulas above in this paragraph D that are consistent with the applicable provisions of

the Code and the regulations thereunder and with the Transferor's intent to maintain qualification of each of the trust shares hereunder as a QPRT or a GRAT.

(4) If there is an error in the determination of the annuity amount, then, within a reasonable period after the error is discovered, the difference between the annuity amount payable and the amounts actually paid shall be paid to or for the use of the Transferor by the Trustee in the event of an underpayment, or shall be repaid by the Transferor to the Trustee in the event of an overpayment.

E. Proration. Notwithstanding the preceding paragraphs of this Article III, in determining the annuity amount for a short taxable year, the Trustee shall prorate the annuity amount on a daily basis. In determining the annuity amount for the taxable year of the termination of the GRAT, the Trustee shall prorate the annuity amount for the final period of the annuity interest on a daily basis.

F. Additional Contributions Prohibited. No additional contributions shall be made to the GRAT after its creation.

G. Termination of GRAT. The GRAT shall continue through the date of termination of the QPRT, as defined in Paragraph C of Article II, and shall then terminate. Upon termination of the GRAT, the Trustee shall distribute all of the trust property in the manner described in Paragraph C of Article II as if the GRAT property had been part of the QPRT disposed of under that provision.

H. No Commutation. The Transferor's interest in the annuity amount may not be sold, commuted, or prepaid by any person.

ARTICLE IV. GENERAL PROVISIONS

B. Governing Law. The operation of the trust shall be governed by the laws of the state of Indiana. The Trustee, however, shall not have or exercise any power or discretion granted under applicable law that would prevent: (1) the QPRT administered under Article II above from meeting the requirements for a qualified personal residence trust under § 2702(a)(3)(A) of the Code and § 25.2702-5(c) of the regulations; or (2) the Transferor's interest in any GRAT administered under Article III above from meeting the requirements for a qualified annuity interest under § 25.2702-3 of the regulations.

IN WITNESS WHEREOF, *Naum Doneski*, as Settlor, and *Sevia Vazanellis* as Trustee, and *George Vazanellis* as Successor Trustee have executed this Trust Agreement on this 26st day of September, 2015.

Naum Doneski

NAUM DONESKI
SETTLOR

SEVIA VAZANELLIS
TRUSTEE

GEORGE VAZANELLIS
SUCCESSOR TRUSTEE

STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

On this 26st day of September, 2015, before me, the undersigned notary public, personally appeared **NAUM DONESKI**, as Settlor, and proved to me through satisfactory evidence of identification, which was personal knowledge of the undersigned, to be the person whose name is signed on the preceding document, and acknowledged to me that he signed it voluntarily for its stated purpose and that it was his free act and deed.

My commission expires: 06/10/17

Samuel Vazanellis
Notary Signature

Resident of Lake County

STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

On this 26st day of September, 2015, before me, the undersigned notary public, personally appeared **SEVIA VAZANELLIS**, as TRUSTEE, and proved to me through satisfactory evidence of identification, which was personal knowledge of the undersigned, to be the person whose name is signed on the preceding document, and acknowledged to me that he signed it voluntarily for its stated purpose and that it was his free act and deed.

My commission expires: 06/10/17

Samuel Vazanellis
Notary Signature

Resident of Lake County

STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

On this 26st day of September, 2015, before me, the undersigned notary public, personally appeared **GEORGE VAZANELLIS**, as Successor Trustee, and proved to me through satisfactory evidence of identification, which was personal knowledge of the undersigned, to be the person whose name is signed on the preceding document, and acknowledged to me that he signed it voluntarily for its stated purpose and that it was his free act and deed.

My commission expires: 06/10/17

Samuel Vazanellis
Notary Signature

Resident of Lake County