

# ALABAMA FAMILY TRUST

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## Investment Options Agreement

NAME: \_\_\_\_\_ Account \_\_\_\_\_

The *Donor* of a trust shall be given the right, herein, to select an investment strategy on their own. If no selection is received from a Donor/Co-Trustee, the trust account assets will be invested in the Balanced Model Portfolio. All trust accounts will have a minimum of \$2000 invested in the Money Market Fund. If the total value of the trust account is less than \$2000, the entire account will be invested in the Money Market Fund.

If, due to disbursements or otherwise, the balance of the trust account falls below \$100.00, such balance must be restored to the minimum of \$100.00 through additional contributions.

The *Donor* hereby acknowledges and agrees to hold the *Trustee(s)* harmless from any loss(es), as provided in Section 38-9B-7 of the Code of Alabama, 1975, incurred as a result of any investment option selection.

THE DESIGNATED CO-TRUSTEE MAY ALTER OR AMEND THIS INVESTMENT OPTIONS AGREEMENT AS THE CO-TRUSTEE SHALL DETERMINE FROM TIME TO TIME, BUT NOT MORE FREQUENTLY THAN TWICE EVERY CALENDAR YEAR.

INVESTMENTS MAY BE MADE IN ONLY ONE MODEL PORTFOLIO:

- |   | <u>Donor's<br/>Initials</u> |
|---|-----------------------------|
| <p>1. <b><u>Income Model:</u></b><br/>The investment objective of this Portfolio is to seek maximum income consistent with the preservation of capital. Invests at <b>100%</b> of assets in bonds and short-term and money market instruments. There is no assurance that this portfolio will achieve its investment objective.</p>   | _____                       |
| <p>2. <b><u>Income with Growth Model:</u></b><br/>The investment objective of this Portfolio is to seek high income and capital appreciation with low volatility by investing primarily in a diversified portfolio consisting of <b>20%</b> of the assets in stocks and <b>80%</b> of assets in bonds and short-term and money market instruments. There is no assurance that this portfolio will achieve its investment objective.</p>                 | _____                       |
| <p>3. <b><u>Conservative Balanced Model:</u></b><br/>The investment objective of this Portfolio is to seek moderate income and capital appreciation with moderate volatility by investing primarily in a diversified portfolio consisting of <b>40%</b> of the assets in stocks and <b>60%</b> of the assets in bonds and short-term and money market instruments. There is no assurance that this portfolio will achieve its investment objective.</p> | _____                       |

4. **Balanced Model:** \_\_\_\_\_

The investment objective of this Portfolio is to seek moderate income and capital appreciation with moderate volatility by investing primarily in a diversified portfolio consisting of 50% of the assets in stocks and 50% of the assets in bonds and short-term and money market instruments. There is no assurance that this portfolio will achieve its investment objective.

5. **Aggressive Balanced Model:** \_\_\_\_\_

The investment objective of this Portfolio is to seek moderate income and capital appreciation with moderate volatility by investing primarily in a diversified portfolio consisting of 60% of the assets in stocks and 40% of the assets in bonds and short-term and money market instruments. There is no assurance that this portfolio will achieve its investment objective..

6. **High Growth with Income:** \_\_\_\_\_

The investment objective of this Portfolio is to seek high income and capital appreciation with high volatility by investing primarily in a diversified portfolio consisting of 80% of the assets in stocks and 20% of the assets in bonds and short-term and money market instruments. There is no assurance that this portfolio will achieve its investment objective.

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**MONEY MARKET FUNDS - PLEASE SELECT A MONEY MARKET FUND FOR ANY CASH THAT IS HELD IN THE TRUST.**

**YOU MAY SELECT ONLY ONE MONEY MARKET FUND**

1. **Prime Management Obligations Fund:** \_\_\_\_\_

The fund seeks to provide investors with current income consistent with stability of principal. The fund pursues its objective by investing primarily in a portfolio of short-term, high-quality, fixed-income securities issued by banks, corporations and the U.S. government. The fund will have a dollar-weighted average maturity of 90 days or less.

2. **Tax-Free Obligations Fund:** \_\_\_\_\_

The fund seeks to provide dividend income exempt from federal regular income tax consistent with stability of principal. The fund pursues its objective by investing primarily in a portfolio of short-term, high-quality, tax-exempt securities.

The *Custodian* of the Portfolios shall periodically *rebalance* the above investment classes so as to conform to the allocation decision of the Investment Committee of BancorpSouth Trust and Asset Management.

**PLEASE REVIEW EACH OF THE FOLLOWING ITEMS CAREFULLY AND INITIAL "ALL" THAT ARE APPLICABLE TO YOUR SITUATION.**

Donor's Initials

- A. Donor hereby elects to permit any Co-Trustee or Successor Co-Trustee designated currently or in the future by the Donor, to alter or amend this Investment Options Agreement as to the same extent as the Donor could, If then living and competent. \_\_\_\_\_
  
- B. Donor hereby acknowledges that in the event the donor does not authorize a Co-Trustee or Successor Co-Trustee to alter or amend this Investment Options Agreement, then after the Donor's death, all investment decision shall be made by the Board of Trustees, in its sole and absolute discretion. \_\_\_\_\_
  
- C. Donor acknowledges receipt of a separate schedule showing the Trustee's fees. \_\_\_\_\_
  
- D. Donor acknowledges that investments in the Model Portfolios are not deposits or obligations of or guaranteed by the Trustee or its agent, BancorpSouth. Donor also acknowledges that such investments are not federally insured by the FDIC or any other government agency. Investment in Model Portfolio involves risk, including the possible loss of principal. \_\_\_\_\_

This Investment Options Agreement is executed by the Donor, intending to be bound by the terms herein, and the Alabama Family Trust Corporation, as the Trustee of the Alabama Family Trust, acting through an authorized agent, has signed this Agreement, hereby accepting and acknowledging the Donor's selections, as of this \_\_\_\_\_ day of \_\_\_\_\_, in the year of \_\_\_\_\_.

\_\_\_\_\_ **DONOR**

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

**WITNESSES:**

1. \_\_\_\_\_

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

Address: \_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

2. \_\_\_\_\_

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

Address: \_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

***ALABAMA FAMILY TRUST CORPORATION  
TRUSTEE***

By \_\_\_\_\_

As Its Authorized Agent

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

Title: \_\_\_\_\_

Date: \_\_\_\_\_