Mr. Patman. To see whether or not they were within the law. If they are not within the law, they should pay taxes like everybody else.

Mr. Ray. Fifteen Federal criminal investigators knocked on the doors of homes, flashed their badges and demanded the books and records. Their husbands didn't care for this at all. They didn't go to their offices.

Mr. Patman. Who were those members?

Mr. Ray. I am not going to reveal who the people were. The IRS knows who they are.

Mr. Conte. Why don't you want to reveal that?

Mr. Patman. Excuse me. The IRS has demonstrated here that it is on the job more than I have heard about in many years. I didn't know that they were on the job. I never heard of anything like that before. It is really encouraging to know that, at least once, they attempted to do something about it.

Mr. Ray. Attempt to do what?

Mr. Patman. It is encouraging to know that at least one time they tried to do something about you fellows, find out what makes you tick, whether or not you are evading the law, violating the law, or how you are doing it. Looks to me like you set it up so that you pay everything through a foundation because the foundation doesn't have to pay taxes.

Mr. Ray. Well, the members——

Mr. Patman. I doubt that you will get by with it but maybe you will.

Mr. Ray. The members believe that the proper place to decide whether they are doing anything legal or illegal is the court.

Mr. Patman. Yes, after 20 years.

Mr. Conte. Mr. Hayes, how do you provide continued control over the family estate for the wife and the family of the individual setting up the trust?

Mr. Hayes. The best answer I can think of, Mr. Conte, to that, there may be several ways involved, but the trustees succeed at the death of the original trustee or the creator. I will read one of the clauses out of the trust document:

> The trustees herein mentioned by name or their successors elected to fill vacancies shall hold office, have and exercise collectively the exclusive management and control of the trust property and business affairs, provided where succession may be desired the first named trustee shall hold office for 1 year, the second for 2 years, the third for 3 years, in this manner using the same principle for additional trustees the successor to each trustee being elected for a full term of 5 years.

Mr. Conte. The trust goes on in perpetuity?

Mr. Hayes. No, it has a definite——

Mr. Conte. Cutoff date?

Mr. Hayes. Cutoff date.

Mr. Conte. When is the definite cutoff date?

Mr. Hayes. Twenty-five years is the usual one. It can be renewed, however, for 25 more by the trustees.

Mr. Conte. Assuming that it is one of these medical foundations that we discussed last week, where you have the doctor who sets up the foundation, and the doctor dies, and assuming also that members of his family are trustees of the foundation, they would continue the trust. Is that right?