

payments, there is usually no exception made to property owned by a trust. The trust not being a tax-exempt institution would, of course, pay all transfer taxes or recording fees, where necessary, upon the purchase of any property. If the trust leases property it is recommended that renters' insurance be obtained to protect the trust's interest in the leased property.

These statements concerning trust procedures may seem simpleminded and because they are quite easy to state we cannot devote a great amount of time nor do we wish to devote a great amount of material to these statements. We do, however, wish to emphasize their importance. The trust is not tax-exempt nor is the trust involved in any procedures that are significantly different from those that an individual would use in good business practice. If this basic rule of thumb is remembered or applied in all business transactions the trust will not violate any laws.

Two other things must be emphasized. First, your trust is different and independent of the trust foundation (the family foundation). Whenever the word "foundation" is used we are discussing a 501(c)(3) tax-exempt organization. The management procedures