

17. The Escrow Agent shall distribute to the IRS upon written notification from the IRS of the issuance of a final determination by the IRS or a court with jurisdiction over the Estate and the IRS of the amount of the estate tax owed, or otherwise upon mutual agreement between the Estate and the IRS, the lesser of (a) the amount sufficient to satisfy the estate tax liability in full, including all applicable interest and penalties, or (b) the total amount of Escrow Funds being held by the Escrow Agent pursuant to this Agreement.

However, if there are other outstanding taxes due to the IRS, other than the subject estate tax, those other taxes shall be paid in full, including interest and penalties, before any balance of the Escrow Funds are paid to the Estate.

18. The IRS retains the right to enforce the estate tax lien by levy or seizure of the Escrow Funds in the possession of the Escrow Agent at any time. However, the IRS agrees not to exercise the right to levy or seize the Escrow Funds until one of the following takes place (the "Disbursement Conditions"):

- a. A return is received by the IRS or the IRS prepares a substitute for return, and
 1. The liability is assessed, but remains unpaid after 10 calendar days following notice and demand for payment by the IRS;
 2. An audit of the Estate Tax Return has been completed and administrative and judicial remedies have been exhausted, and the liability has been assessed, but remains unpaid after 10 calendar days following notice and demand by the IRS; or
 3. Otherwise upon mutual agreement between the Estate and the IRS, or
 4. The IRS determines that assessment and/or collection of the estate tax liability is in jeopardy.

19. That the Escrow Agent may not release the Escrow Funds to anyone without the express written consent of the IRS.

20. That the Estate has the right to instruct the Escrow Agent to release all or part of the Escrow Funds to the IRS at any time without the express written consent of the IRS.

21. The IRS will issue written instructions directing the Escrow Agent to release the balance of the funds in the escrow account to the Estate after a final determination has been made by the IRS or a court with jurisdiction over the Estate and the IRS of the amount of estate tax owed and the tax has been paid in full, including applicable interest and penalties or otherwise upon mutual agreement between the Estate and the IRS.

22. No provision of any purchase contract or escrow instructions regarding the Subject Property may be inconsistent with this Agreement and any provisions of said purchase contract or escrow instructions which are inconsistent with this Agreement shall be null and void and of no effect for all purposes.

23. The Escrow Agent is a mere trustee of the Escrow Funds whose duties and obligations are limited to those expressly set forth herein, to hold the Escrow Funds in trust and disburse funds only under the conditions set forth herein.

24. The Estate agrees to be liable for all IRS approved reasonable costs and attorney's fees incurred by Escrow Agent arising from or related to this agreement.

25. Escrow Agent shall charge an escrow service fee of _____, which shall be payable by the Estate upon written approval of the IRS.
\$ amount or percentage of total

26. Nothing herein waives the statute of limitations for assessment or collection of the estate tax liability of the Estate. Nothing herein constitutes a waiver of rights or remedies available to the Estate or the IRS.

27. This Agreement shall become effective upon the signature of all the parties whose names appear below.

Estate of (<i>decedent</i>)	Title of Internal Revenue Representative	Name of Escrow Institution
Estate Executor (<i>print name</i>)	Internal Revenue Service (<i>print name</i>)	Escrow Agent (<i>print name</i>)
Estate Executor signature	Internal Revenue Service signature	Escrow Agent signature
Date	Date	Date

Paperwork Reduction Act

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is: Preparing and sending the form to the IRS should involve 30 minutes. The estimated burden for individual taxpayers filing this form is approved under OMB control number 1545-0328. If you have comments concerning the accuracy of the time estimate or suggestions for making this form simpler, we would be happy to hear from you. You can send your comments to Internal Revenue Service, Tax Forms and Publications Division, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send Form 15056 to this address.