

Compare

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TRUST AGREEMENT

Fee \$40.00
 MARY E. WELTY
 RECORDER
 MADISON COUNTY, IOWA

This Agreement is made this 12TH day of January, 1977, between OLIVER P. HAXTON, herein called Trustor, and OLIVER P. HAXTON and MARGARET A. HAXTON, herein called Trustee.

Trustor agrees to deliver to Trustee that property described in Schedule A, attached hereto and incorporated herein by reference. Trustee agrees to receive, accept, hold and administer said property and all other property hereafter becoming subject to this Agreement, in trust, with the powers and for the uses, purposes and beneficiaries and subject to the conditions following:

1. The Trustee may receive other property, real or personal, from the Trustor or from any other person by deed, assignment, bequest or devise and such proceeds or other property when received and accepted by the Trustee shall become part of the trust estate and shall be held and administered in the manner provided herein and subject to all of the conditions hereof.

2. Trustor may, during the Trustor's lifetime, by written instrument signed by the Trustor, and delivered to Trustee, revoke this trust in whole or part, or amend any of the provisions of this trust, provided, however, that the duties, powers and liabilities of the Trustee shall not be substantially changed without the written consent of Trustee. If not revoked by the Trustor during the Trustor's lifetime, this trust shall become irrevocable upon the death of Trustor.

3. Trustee shall pay to or for the benefit of Trustor, for the remainder of the life of Trustor, income and/or principal of the Trust as and when, and in the amount which Trustor shall from time to time designate. If Trustor shall be unable to so designate, due to the Trustor's physical or mental condition in the future, then

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Trustee shall pay to or apply for the benefit of Trustor so much of the principal and/or income of the Trust, up to the whole thereof, as the Trustee, in the Trustee's discretion, may from time to time deem necessary for the Trustor's comfort, support (in the manner to which Trustor is accustomed), medical care and general welfare, including a reasonable number of luxuries, after taking into consideration, to the extent the Trustee deems advisable, any independent income or other resources of, or available to, Trustor, known to the Trustee.

4. Upon the death of Trustor, the Trustee may, in the Trustee's discretion, pay out of the trust estate the expenses of Trustor's last illness and funeral, attorneys' fees and other costs in administering Trustor's probate estate, other obligations incurred for the support of Trustor and any estate or inheritance taxes, including interest and penalties, arising by reason of the death of Trustor.

5. Upon the death of Trustor, the Trustee shall divide the remaining balance of the Trust Estate into two equal undivided interests. The Trustee shall distribute one undivided one-half interest therein, free of trust, to MARGARET A. HAXTON, the wife of Trustor. Should Margaret A. Haxton fail to survive Trustor, her share shall be added to the remaining share and shall be held or distributed as part thereof. Should the real property in Iowa, consisting of a farm, which comprised the original funding of this Trust Agreement, have been sold by the date of death of Trustor, the Trustee shall distribute the remaining undivided one-half interest therein, free of trust, to the issue of Trustor who shall survive Trustor, by right of representation. Should said farm not have been sold upon the date of death of Trustor, the Trustee shall continue to hold said remaining

undivided one-half interest therein in trust, and shall pay to or apply for the benefit of Trustor's issue who shall survive Trustor, by right of representation, all of the net income of the Trust Estate, in convenient installments but in no event less frequently than in quarterly installments, until the trust's interest in the farm shall be sold by the Trustee, upon which event the Trustee shall thereupon distribute, free of trust, the then remaining balance of the trust estate to the issue of Trustor who shall survive the Trustor, by right of representation. Should one of the issue of Trustor survive the death of Trustor but fail to survive the termination of the trust, his or her share shall be distributed to his or her personal representative of his or her estate.

6. The Trustee shall have the following powers and duties, subject to the other provisions of this Agreement:

A. The Trustee shall have the power, with respect to the property of the trust or any part thereof, and upon such terms and in such manner as the Trustee may deem advisable, to sell, convey, exchange, convert, improve, repair, manage, operate and control; to lease for terms within or beyond the terms of this trust and for any purposes, including exploration for and removal of gas, oil and other minerals; and to enter into community oil leases, pooling and utilization agreements; to borrow money for any trust purpose, and to encumber or hypothecate by mortgage, deed of trust, pledges or otherwise; to carry insurance of such kinds and in such amounts as the Trustee may deem advisable, at the expense of the trust; to compromise or otherwise adjust any claims against or in favor of the trust; to invest and reinvest the trust funds in such property as the Trustee may deem advisable, whether or not of the character permitted by law for the investment of trust funds; and with respect to

securities held in the trust, to vote, give proxies, and pay assessments or other charges; to participate in foreclosures, reorganizations, consolidations, mergers and liquidations and incident thereto to deposit securities with and transfer title to any protective or other committee upon such terms as the Trustee may deem advisable, and to exercise or sell stock subscription or conversion rights; and the Trustee shall have such additional powers as may now or hereafter be conferred upon the Trustee by law or as may be necessary to enable the Trustee to administer this trust in accordance with the provisions of this Agreement, subject to any limitations thereof that may be provided for herein.

B. Without limiting the generality of the foregoing powers, the Trustee is authorized to purchase on behalf of the trust any assets which may be offered for sale by the estate of Trustor and/or lend money to the estate of Trustor upon a reasonable rate of interest without requiring security therefor beyond the written representation by the personal representative of the estate that the net worth of the estate is sufficient to repay said loan. The Trustee is authorized, in the Trustee's discretion to decide, in cooperation with the personal representative of Trustor's probate estate, which, if any, expenses of administration, federal estate taxes, state inheritance taxes, income taxes and any other taxes, charged or levied against this trust on Trustor's probate estate, shall be paid by this trust estate and Trustor's probate estate respectively; it being Trustor's intention that the decision shall be made based upon the cash and liquidity in the trust estate and probate estate, respectively, and the best interests of Trustor's total estate.

C. The Trustee is authorized to retain in the Trust, for such time as the Trustee may deem advisable, any property received by the Trustee, whether or not of the character permitted by law

for the investment of trust funds, and to continue and operate any business which the Trustee may receive hereunder, so long as in the Trustee's discretion, the Trustee may deem it advisable to do so.

D. The Trustee may hold securities or other property in the Trustee's name as Trustee hereunder, or in the name of the Trustee's nominee, or the Trustee may hold such securities unregistered in such condition that ownership will pass by delivery.

E. Except as otherwise provided in sub-paragraphs F., G., and H., of this paragraph in the determination of principal and income, the Trustee shall be bound by the California Principal and Income Law; as to any situation not expressly therein provided for, the Trustee is hereby authorized and empowered, in the Trustee's discretion, to determine for all purposes of the trust, what shall constitute principal of the trust estate and income therefrom, and the Trustee's decision with respect thereto shall be binding and conclusive upon all persons and corporations interested therein.

F. Upon the death of any income beneficiary of the trust during its continuance, any accumulated income which would have been paid to such beneficiary had he or she survived shall not be payable to his or her estate but shall be paid to his or her successors or successor in interest in the trust as hereinabove provided.

G. To employ counsel and corporate or other agents in the discharge of the Trustee's duties and to pay them a reasonable compensation out of either income or principal in the Trustee's discretion, and to rely upon the advice of counsel and to suffer no liability resulting from any action taken or withheld pursuant to such advice.

H. To pay from time to time all taxes, assessments, including corporate assessments, and other charges levied or accruing

against or on account of the trust property and to pay all expenses of the trust, including reasonable compensation to the Trustee, and to deduct all said taxes, assessments, charges and expenses from the income or principal of the trust as the Trustee may deem proper in the premises.

I. The Trustee in the Trustee's discretion may make payments to a beneficiary under disability by making payments to the guardian of his or her person, or to any suitable person with whom he or she resides, or the Trustee may apply payments directly for the beneficiary's benefit.

J. In any case in which the Trustee is required, pursuant to the provisions of the trust, to divide any trust property into parts or shares for the purpose of distribution, or otherwise, the Trustee is authorized, in the Trustee's discretion, to make the division and distribution in kind, including undivided interests in any property, or partly in kind and partly in money, and for this purpose to make such sales of the trust property as the Trustee may deem necessary on such terms and conditions as the Trustee shall see fit.

K. Notwithstanding any provisions of this Agreement to the contrary, the final decisions to invest or reinvest assets of the trust estate shall be made by Trustor during Trustor's life, so long as the Trustor is able to make said decisions.

L. Unless sooner terminated in accordance with other provisions of this agreement, each trust created under this Agreement shall terminate twenty-one (21) days after the death of the last survivor of the Trustor, the Trustor's wife, Margaret A. Haxton, and those of the issue of Trustor who are living on the date of this Agreement. All principal and undistributed income of any trust so

terminated shall be distributed to the then income beneficiaries of that trust in the proportions in which they are, at the time of termination, entitled to receive the income.

7. A Trustee may at any time resign from the trust hereby created by depositing in the United States mail, postage prepaid, a notice of such resignation addressed to the Trustor at the Trustor's address last known to Trustee, and such resignation shall take effect at the expiration of sixty (60) days from the date of mailing such notice. Should a Trustee resign or otherwise cease or be unable to act as Trustee, the remaining Trustee shall act as sole Trustee. No bond shall be required of any Trustee named in this Agreement.

8. Until the Trustee shall receive written notice of any birth, death or other event upon which the right to payments from the trust may depend, the Trustee shall incur no liability to persons whose interests may have been affected by the event for disbursements made in good faith.

9. This instrument shall be construed and administered, and the validity of the trust hereby created shall be determined in accordance with the Laws of the State of California.

10. As used in this Agreement, the masculine, feminine, or neuter genders, and the singular or plural numbers, shall each be deemed to include the others wherever the context so indicates.

Executed on the date first above written.

Oliver P. Haxton
Oliver P. Haxton Trustor

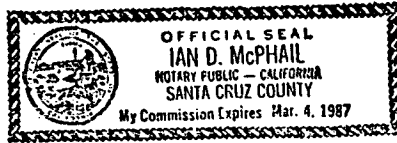
Oliver P. Haxton
Oliver P. Haxton Trustee

Margaret A. Haxton
Margaret A. Haxton Trustee

STATE OF CALIFORNIA)
) ss.
COUNTY OF SANTA CRUZ)

On MAY 25, 1983, before me, the undersigned, a Notary Public in and for said State, personally appeared OLIVER P. HAXTON and MARGARET A. HAXTON, personally known to me to be the persons (or proved to me on the basis of satisfactory evidence) whose names are subscribed to the within instrument and acknowledged that they executed the same.

WITNESS my hand and official seal.



Ian D. McPhail

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SCHEDULE "A"

OLIVER P. HAXTON hereby transfers to the Trustees herein the following real property, consisting of a farm in Iowa, which is his separate property:

Real Property situated in the County of Madison, State of Iowa, to wit:

The Southwest Quarter (SW1/4) of Section Twenty (20) and the East One Hundred Forty (140) Acres of the Southeast Quarter (SE1/4) of Section Nineteen (19), Township Seventy-seven (77), North of Range Twenty-nine (29), West of the 5th P.M., Madison County, Iowa, and a tract of land described as follows: Commencing at the Southwest Corner of the Southwest Quarter (SW1/4) of the Northwest Quarter (NW1/4) of Section Twenty (20) running thence East 80 rods, thence North 25 feet, thence West 80 Rods, thence South 25 Feet to the place of beginning all in Township Seventy-seven (77), North of Range Twenty-nine (29), West of the 5th P.M., Macison County, Iowa.