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MARY E. WELTY
RECORDER
MADISON COUNTY, IOWA
Fee \$ 30.00

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TRUST AGREEMENT

NOV 27 1988

This Agreement is made this 24 day of OCTOBER, 1988, between AUDREY HAXTON, herein called Trustor, and AUDREY 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:

A. 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.

B. 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.

C. During the lifetime of Trustor, the Trustee shall pay to or for the benefit of Trustor as much of the income and/or principal of the Trust as 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 Trustee shall pay to or apply for the benefit of Trustor so much of the income and/or principal of the Trust, up to the whole thereof, as the Trustee, in the Trustee's discretion, may from time to time deem necessary or advisable 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,

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Trustor, known to the Trustee.

D. Upon the death of Trustor, Trustee may, in Trustee's discretion, pay out of the trust estate all obligations incurred for the support of Trustor and the expenses of Trustor's last illness, funeral and burial, such sums as are necessary to pay all inheritance, estate or other death taxes, including any interest and penalties, and attorneys' fees, and other costs incurred by reason of Trustor's death, whether attributable to property subject to probate administration or to property included in this Trust or to outside transfers.

E. Upon the death of Trustor, the Trustee shall distribute the remaining balance of the trust estate in equal shares to the children of Trustor who survive Trustor and to the surviving issue, by right of representation, of each deceased child of Trustor who leaves issue surviving Trustor. The children of Trustor are MICHAEL BRIAN HAXTON, WICK CHRISTOPHER HAXTON and DEBORAH GAY HAXTON. However, the share of any beneficiary who is under age twenty-one (21) upon the date of death of Trustor shall continue to be held in Trust by the Trustee and shall be administered and distributed as follows:

1. The Trustee shall pay to or apply for the benefit of the beneficiary as much of the net income and principal of the beneficiary's Trust, up to the whole thereof, as the Trustee, in the Trustee's reasonable discretion, may from time to time deem necessary or advisable for the beneficiary's proper support, care, maintenance, and education, after taking into consideration, to the extent the Trustee deems advisable, any income or other resources of the beneficiary, outside the beneficiary's Trust, known to the Trustee, including the beneficiary's capacity for gainful employment after completion of the beneficiary's education. Any net income not distributed shall be accumulated and added to the principal of the beneficiary's Trust.

2. When the beneficiary attains age twenty-one (21), the Trustee shall distribute to the beneficiary the then remaining balance of the beneficiary's Trust. If the beneficiary dies before attaining age twenty-one (21), the Trustee shall distribute the balance remaining of the beneficiary's Trust on the beneficiary's death to the issue of the beneficiary who shall survive the beneficiary, by right of representation, in absence of whom it shall be distributed in equal shares to the siblings of the beneficiary who survive the beneficiary, in absence of whom it shall be distributed to the issue of Trustor then surviving, by right of representation; provided, however, that if a Trust is then being administered for a said beneficiary under earlier provi-

sions of this Trust Agreement, the share of that beneficiary shall be added to that beneficiary's Trust and administered as a part thereof.

3. Whenever provision is made in this Paragraph for payment for the "education" of a beneficiary, the term "education" shall be construed to include a technical or vocational school, college, and postgraduate study, so long as pursued to advantage by the beneficiary, at an institution of the beneficiary's choice; and, in determining payments to be made for such education, the Trustee shall take into consideration the beneficiary's related living expenses to the extent that they are reasonable.

4. No interest in the principal or income of any irrevocable portion of the trust estate shall be anticipated, assigned or encumbered or subject to any creditor's claim or to legal process, prior to its actual receipt by the beneficiary.

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

1. The Trustee shall have the power, with respect to the property of the Trusts 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 these Trusts 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 purposes, and to encumber or hypothecate by mortgage, deed of trust, pledge 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 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 these Trusts in accordance with the provisions of this Agreement, subject to any limitations thereof that may be provided for herein.

2. The Trustee is authorized to buy, sell, and trade in securities of any nature including option contracts and short sales for cash or on margin, and for such purpose may maintain and operate margin accounts with brokers, and may pledge any securities held or purchased by him with such brokers as security for loans and advances made to the Trustee.

3. The Trustee is authorized to retain in the Trust, for such time as the Trustee may deem advisable, any property received by the Trustee,

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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.

4. The Trustee may hold securities or other property in the Trustee's name as Trustee hereunder, or the Trustee may hold such securities unregistered in such condition that ownership will pass by delivery. If the Trustee is a bank, the Trustee may hold securities or other property in this Trust in the Trustee's own name or corporate nominee.

5. Except as otherwise provided in subparagraphs 6, 7, and 8 of this paragraph, in the determination of principal and income, the Trustee shall be bound by the California Principal and Income Law from time to time existing; 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 that the Trustee's decision with respect thereto shall be binding and conclusive upon all persons and corporations interested therein.

6. 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.

7. The Trustee is authorized 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.

8. The Trustee is authorized 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.

9. The Trustee, in the Trustee's discretion, may make payments to a minor or other 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. The Trustee, in the Trustee's discretion, may make payments directly to a minor if, in the Trustee's judgment, he or she is of sufficient age and maturity to spend the money properly.

10. 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.

11. There need be no physical segregation or division of the various Trusts, except as segregation or division may be required by the termination of any of the Trusts, but the Trustee shall keep separate accounts for the different undivided interests.

12. The Trustee (except if and when the Trustor is serving as the Trustee) shall make an annual accounting to the primary beneficiary of each Trust created herein. Each account shall show the receipts, disbursements, and distributions since the last accounting, and the status of the principal and any undistributed income on hand at the date of the accounting.

G. Should the Trustee die, resign, or otherwise cease or be unable to act as Trustee, DEBORAH HAXTON shall act as successor Trustee. Should this designated successor Trustee for any reason be unable to act or refuse to act as such, or having accepted said appointment, later cease to act as Trustee for any reason, MICHAEL B. HAXTON shall act as sole successor Trustee.

H. In the event that a successor Trustee is mentioned as such in this Trust Agreement and agrees to serve as Trustee, or if a successor Trustee is not mentioned as such in this Trust Agreement but agrees to serve as such and is appointed by the Court to serve as successor Trustee, said successor Trustee shall have no liability for any acts or failure to act on behalf of previous Trustees occurring prior to the date when said successor Trustee takes office. Any successor Trustee shall succeed as Trustee with like effect as though originally named as such herein. All authorities and powers conferred upon the original Trustee hereunder shall pass to any successor Trustee.

I. 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.

J. For the sake of the operation of the provisions of this Agreement, any person who fails to survive the death of Trustor by thirty (30) days shall be treated as having predeceased the Trustor.

K. 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.

L. 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 whenever the context so indicates.

M. If any provision of this Trust Agreement is unenforceable, the remaining provisions shall be carried into effect.

N. As used in this instrument, the term "issue" shall refer to lineal descendants of all degrees, and the terms "child", "children", and "issue" shall include adopted persons who were minors at the date of adoption.

Executed on the date first above written.

Audrey Haxton
AUDREY HAXTON
Trustor and Trustee

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

On OCT. 24, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared AUDREY HAXTON, personally known to me to be the person (or proved to me on the basis of satisfactory evidence) whose name is subscribed to the within instrument and acknowledged that she executed the same.

WITNESS my hand and official seal.



Ian D. McPhail
Notary Public