



200605220231

Skagit County Auditor

5/22/2006 Page

1 of 24 1:21PM

After Recording Return Document To:

Thomas E. Stuen
RAAS, JOHNSEN & STUEN, P.S.
1503 E Street • P.O. Box 5746
Bellingham, WA 98227

DOCUMENT TITLE: Quit Claim Deed

REFERENCE NUMBER OF RELATED DOCUMENTS: 200104170092, 8303100001, 9502160035, 9506080054

GRANTOR: MERRILL LYNCH TRUST COMPANY F.S.B., successor trustee to WILLIAM H. BARNES as Trustee of the William H. Barnes Revocable Trust of 2001, UA 04/5/01 FBO WILLIAM H. BARNES.

GRANTEE: HELEN L. BARNES, Trustee of the HELEN L. BARNES Revocable Trust of 2001, UA 04-05-01, FBO HELEN L. BARNES

ABBREVIATED LEGAL DESCRIPTION: PTN NW 1/4 AKA TR B S/P 34-81 INC M/H 06910188HAB SKYLINE/OAKMANOR 95.48X28. #2440

ADDITIONAL LEGAL DESCRIPTION ON PAGE 2 OF DOCUMENT.

ASSESSOR'S TAX/PARCEL NUMBERS: P39736; Ref Parcel 35051901350209

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

MAY 22 2006

QUIT CLAIM DEED

Amount Paid \$
Skagit Co. Treasurer
By [Signature] County

THE GRANTOR, MERRILL LYNCH TRUST COMPANY, F.S.B., as successor trustee to WILLIAM H. BARNES, deceased, Trustee of the William H. Barnes Revocable Trust of 2001, UA 4/5/01 FBO WILLIAM H. BARNES, to transfer the estate of William H. Barnes, deceased September 29, 2005, to his wife Helen L. Barnes pursuant to the terms of the said trust, and other good and sufficient consideration, convey and quit claim to HELEN

L. BARNES, Trustee of the HELEN L. BARNES Revocable Trust of 2001, UA 04-05-01, FBO HELEN L. BARNES, any and all interest the WILLIAM H. BARNES REVOCABLE TRUST of 2001 may own in the following described real estate, commonly known as 9395 Thresher Avenue, Sedro-Woolley, situated in the County of Skagit, State of Washington:

Tract "B" of Skagit County Short Plat No. 34-81, approved March 9, 1983, and recorded March 10, 1983, in Volume 6 of Short Plats, page 52, under Auditor's File No. 8303100001, records of Skagit County, Washington. Being a portion of the Northwest Quarter of Section 19, Township 35 North, Range 5 E.W.M.

Situated in the County of Skagit, State of Washington.

Attached hereto as Exhibit 1 is a true and correct copy of the William H. Barnes Revocable Trust of 2001. Attached hereto as Exhibit 2 is the certification of authority of Mr. Brian Saglimben. Attached hereto as Exhibit 3 is a certified copy of the Certificate of Death of Willaim H. Barnes.

DATED this 1st day of ~~April~~ ^{MAY}, 2006.

MERRILL LYNCH TRUST COMPANY, F.S.B., Trustee, William H. Barnes Revocable Trust of 2001, UA 4/5/01, FBO William H. Barnes

By: Brian Saglimben
BRIAN SAGLIMBEN,
Vice President, Real Estate Office

STATE OF NEW JERSEY)
) ss.
COUNTY OF MERCER)

I certify that I know or have satisfactory evidence that BRIAN SAGLIMBEN is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the authorized agent of MERRILL LYNCH TRUST COMPANY, FSB, Trustee of the William H. Barnes Revocable Trust of 2001, UA 4/5/01 FBO WILLIAM H. BARNES, to be the free and voluntary act of such party for the uses and purposes mentioned in

Dated: ~~April~~ ^{MAY} 1, 2006.

BARBARA CORRADO
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires April 17, 2007

Barbara Corrado
NOTARY PUBLIC for the State of New Jersey. Residing at _____
My appointment expires _____

F:\wpdocs\estate\barnes\quit-clm.dee



EXHIBIT 1

REVOCABLE TRUST

OF

WILLIAM H. BARNES

THIS TRUST AGREEMENT is made this day by and between WILLIAM H. BARNES as Trustor, and WILLIAM H. BARNES as Trustee:

ARTICLE 1. NAME AND FAMILY

1.1 Name. This Trust shall be known as the "WILLIAM H. BARNES REVOCABLE TRUST OF 2001," hereinafter, the "Trust".

1.2 Family. Trustor's family consists of his spouse, HELEN L. BARNES, and the following children by a prior marriage: MARY E. BRADDOCK, JOHN C. BARNES, and CAROL A. MADISON. Trustor's spouse has two children by a prior marriage.

ARTICLE 2. RESERVATION OF RIGHTS AND TRANSFER OF PROPERTY

2.1 Transfer. The Trustor has conveyed, transferred and delivered to the Trustee the community and separate property of Trustor itemized on Schedule A attached hereto. This property, together with other property that hereafter may be added to this trust, shall be held, managed and distributed by the Trustee as hereinafter provided.

2.2 Reserved Rights. Trustor reserves the right to:

A. Direct the distribution of net income or principal from the trust estate, which direction shall be in writing transmitted to the Trustee if a successor Trustee is serving.

B. Add other property acceptable to the Trustee to the trust estate.

REVOCABLE TRUST OF
WILLIAM H. BARNES - Page 1 of 19

R.
P.C.



200605220231
Skagit County Auditor

5/22/2006 Page

3 of 24 1:21PM

C. Amend this Agreement in any respect, provided that any amendment shall not affect the duties and responsibilities of the Trustee without Trustee's written consent.

D. Revoke this trust or withdraw at any time any part of the trust estate upon reasonable notice to the Trustee; subject, however, to any obligations that the trust may have incurred prior to revocation.

2.3 Trustor's Rights. The right of the Trustor to amend or revoke this trust shall be personal to Trustor and shall not be exercisable by any other person, including a guardian of Trustor's person or estate, except any person given such power subsequent to execution of this trust by Trustor, by durable power of attorney or similar instrument.

ARTICLE 3. DISTRIBUTION FROM TRUST ESTATE WHILE TRUSTOR IS LIVING

Trustee shall pay to the Trustor or Trustor's order so long as Trustor is living, at least annually, so much of the net income and principal as the Trustor, in writing, shall direct; or, in the event of disability, shall apply for Trustor's benefit at least quarterly so much of the net income and such portion of the principal as in the opinion of the Trustee shall be necessary for Trustor's comfortable support, health and care in accordance with the manner of living to which Trustor has become accustomed.

ARTICLE 4. MANAGEMENT AND DISTRIBUTION UPON DEATH OF TRUSTOR

4.1 Gift to Children. Upon the death of the Trustor, the Trustee shall distribute the sum of Three Hundred Thousand Dollars (\$300,000.00) in equal shares, by right of representation, to the Trustor's three children: MARY E. BRADDOCK, JOHN C. BARNES and CAROL A. MADISON.

4.2 Helen L. Barnes Gift and Trust.

A. The Helen L. Barnes Living Trust shall receive any interest the Trust may own at Trustor's death in that certain real property commonly known as 9395 Thresher Avenue, Sedro-Woolley, Washington.

B. Provided she is married to Trustor at his death, the remainder of the Trust shall on the death of Trustor continue

REVOCABLE TRUST OF
WILLIAM H. BARNES - Page 2 of 19

RA
P.O



200605220231
Skagit County Auditor

as a trust for the benefit of HELEN L. BARNES, for her lifetime.

4.3 Administration. The Trustee shall hold and administer all property retained by the Trustee subject to the terms of this Article, including any property that passes to the Trustee by reason of a disclaimer made by any person, in accordance with the following terms:

A. The Trustee shall pay the net income of the trust to the beneficiary in quarterly or more frequent installments. Any income that is accrued or received but undistributed at the time of my beneficiary's death shall be paid to the beneficiary's personal representative. The beneficiary shall have the power to compel the Trustee to convert within a reasonable time any unproductive or underproductive property and to invest it in income producing property.

B. The Trustee shall have the power to claim the federal estate tax marital deduction in Trustor's estate with respect to part or all of this trust. If a marital deduction is claimed with respect to part of the trust, Trustee shall hold that part of the trust as a separate marital deduction trust (the "marital deduction trust"). All additional death taxes imposed on the beneficiary's estate by reason of the inclusion of the marital deduction trust in the base of such taxes shall be paid from the property of that trust unless the beneficiary expressly provides otherwise in beneficiary's will.

C. The beneficiary shall have the power to withdraw from the principal of the marital deduction trust so much principal as may be required to provide for the beneficiary's support and maintenance in health and reasonable comfort, taking into account all income and property available to the beneficiary from other sources. If the trust under this Article is divided into a marital deduction trust and a nonmarital deduction trust, no principal shall be withdrawn or expended from the nonmarital deduction trust until all of the funds are exhausted which are held (1) in the marital deduction trust and (2) in that certain William H. Barnes Irrevocable Lifetime QTIP Trust, UA8-5-99, FBO Helen Barnes.

D. Trustor intends that the trust established under this Article will qualify for the federal estate tax marital deduction to the extent the Trustee elects. Accordingly, all provisions of this trust shall be interpreted and applied in a manner that is consistent with Trustor's intention. The Trustee is authorized to amend the provisions of this trust to

REVOCABLE TRUST OF
WILLIAM H. BARNES - Page 3 of 19

R/
P.C.

W.H.B.
STUEN P.S. • Attorneys at Law



200605220231

Skagit County Auditor

5/22/2006 Page

5 of 24 1:21PM

the extent required in order to sustain the marital deduction to the extent of the Trustee's election.

E. Elections - Trustee Authorized to Make Elections: The Trustee is authorized, in Trustee's discretion, to claim the federal estate tax marital deduction with respect to part, all or none of the property that passes to the trust for the benefit of the beneficiary. The Trustee may make the election regardless of the effect the election may have upon Trustee's interests, those of the beneficiary's, or those of any other person. In particular, the Trustee is exonerated from liability to anyone that might result from a good faith exercise of Trustee's election, which shall be binding upon all parties. The Trustee shall be free to make the election that the Trustee believes is in the best interests of Trustor's estate and its beneficiaries. In making the election Trustor requests, but does not obligate, the Trustee to consider the overall estate, gift and generation-skipping transfer tax impact that the election may have upon Trustor's estate and the estate of the beneficiary in light of beneficiary's apparent financial circumstances, health, and life expectancy. The Trustee may also consider the amounts of property passing to the beneficiary and other beneficiaries of the trust and pursuant to other arrangements.

4.4 Final Distribution and Termination. Upon the death of HELEN L. BARNES, or if she is not qualified to be the beneficiary, then the trust shall be divided into three equal shares for MARY E. BRADDOCK, JOHN C. BARNES, and CAROL A. MADISON, by right of representation.

A. If the Beneficiary is Trustor's child, Trustee shall distribute all of the assets of the separate share established for such child's benefit to that child.

B. If the beneficiary or beneficiaries of a separate trust share are descendants of a deceased child of a Trustor, each beneficiary's share shall be distributed as follows:

(1) Discretionary Trust. The Trustee shall hold the trust estate as a single trust for the benefit of all of the children of the deceased child until any such child reaches the age of twenty-two (22) years. From the income and principal of the trust, the Trustee may make discretionary distributions for the support, health and education of any of the trust's beneficiaries.

REVOCABLE TRUST OF
WILLIAM H. BARNES - Page 4 of 19

r
r



200605220231

Skagit County Auditor

(2) Purposes. In making distributions, the Trustee shall not be required to apportion benefits equally among the beneficiaries and descendants, but is to take into consideration their respective ages, health, educational requirements, earning capacity, prior distributions, and other circumstances affecting them individually.

(3) Education. Notwithstanding the above directions, within the limitations of the funds available and considering the requirements of other beneficiaries, the Trustee is authorized to assist each beneficiary, regardless of age, in acquiring a college or trade school education and, if desired professional education; provided, that all distributions to or for any child for education benefits exceeding the ordinary four year college course or its equivalent shall be charged without interest as an advancement against such child's share upon subsequent division of the trust as described in paragraph 4, below.

(4) Creation and Distribution of Separate Trusts. At such time as the oldest beneficiary attains age twenty-two (22), the remaining corpus and accumulated income of the trust shall be divided into per stirpital shares among the beneficiaries, recognizing any advancements under paragraph 3, above. Each of the trust shares thus created shall thereafter be managed as a separate trust for the benefit of the beneficiary for whom such share is created. Each of such separate shares shall be managed and distributed as follows:

(i) Until such time as the beneficiary of the trust attains the age of thirty (30), the Trustee may make discretionary distributions of income or principal for the health, support, or education, including professional or graduate education, of such beneficiary, keeping in mind alternative funds available to, and prior distributions to, such beneficiary.

(ii) At such time as the beneficiary attains age twenty-two (22), one-third ($\frac{1}{3}$) of the corpus and accumulated income shall be distributed to the beneficiary.

(iii) At such time as the beneficiary attains age twenty-six (26), one-half ($\frac{1}{2}$) of the corpus and



accumulated income shall be distributed to the beneficiary.

(iv) At such time as the beneficiary attains age thirty (30), the trust shall terminate and the balance of the fund shall be distributed to the beneficiary.

(v) If a beneficiary has attained either age twenty-two (22), twenty-six (26) or age thirty (30) at the time his/her separate share is established, the Trustee shall make immediate distribution to such beneficiary of the portion thereof to which such beneficiary is entitled.

(vi) If a beneficiary shall die prior to distribution of his/her full share, the trust benefiting such beneficiary shall terminate on the date of death and the corpus and accumulated income remaining on such date shall pass to such person or persons among my descendants or such beneficiary's spouse, in such manner and at such time or times as said beneficiary appoints and directs by Will, specifically referring to this limited power of appointment. In default of such appointment, such funds shall be distributed to such deceased beneficiary's descendants then living, per stirpes (by right of representation). If there is no descendant then living, such funds shall be distributed to my descendants then living per stirpes.

(5) Limitation on Duration. Notwithstanding anything herein to the contrary, no trust created hereby shall continue for a period longer than that permitted by the Rule Against Perpetuities. One month prior to the expiration of such period, any undistributed assets of any fund or trust created hereby, together with all accrued and undistributed income, shall be paid and distributed to the person or persons then entitled to distributions of income, in the manner and proportions herein stated, regardless of their then attained ages.

C. If all beneficiaries of a separate trust share predecease the time for final distribution, the remaining assets of that trust estate shall be equally divided among the other original shares allocated to separate trusts under the Trust and shall be distributed as a part of such other shares as though all

REVOCABLE TRUST OF
WILLIAM H. BARNES - Page 6 of 19

W H B

RAAS JOURNAL



200605220231
Skagit County Auditor

events occurring from the time of division of the trust estate into separate trusts had then occurred.

4.5 Failure of Line. In the remote event that there are no descendants or trust beneficiaries of Trustor living at the time of the death of Trustor, or if there are no descendants of Trustor living at the termination of any trust established under this instrument, then the Trustee shall distribute the otherwise unappointed or undistributed assets of any such trust as follows: to the Governing Board of the SHRINE BURN CENTER.

ARTICLE 5. INCAPACITY OF TRUSTOR

The Trustor and the Trustee are the same person. This Article shall apply to WILLIAM H. BARNES in his capacity both as the Trustor and as the Trustee and refers to him merely as the Trustor.

5.1 Capacity. The Trustor shall be deemed to have full capacity for purposes of this Revocable Living Trust unless the Trustor's then attending physician determines pursuant to this Article that the Trustor is "incapacitated."

5.2 Incapacity. If the Trustor's then attending physician determines that the Trustor is incapable of managing his own financial affairs (because of the Trustor's physical or mental condition, or both), the physician shall prepare and sign a written statement declaring that the Trustor is "incapacitated" and shall promptly deliver such statement to the named successor Trustee.

5.3 Restored Capacity. If the Trustor has been determined to be "incapacitated", the Trustor's then attending physician shall, upon the Trustor's written request, determine whether the Trustor's capacity has returned. If the Trustor's capacity has returned, then the physician shall promptly prepare, sign, and deliver a written statement to the then acting Trustee stating that the Trustor's capacity has returned. The Trustor shall then be deemed to have full capacity for purposes of this Revocable Living Trust until the Trustor is again determined to be incapacitated pursuant to Paragraph 5.2 above.

5.4 Capacity. As used in this Revocable Living Trust, the term "incapacitated" shall be construed broadly, and shall include (without limitation) mental or physical disability, incompetency, or senility sufficient to prevent the Trustor's management of his affairs.

REVOCABLE TRUST OF
WILLIAM H. BARNES - Page 7 of 19

RAAS, JOHNSON & STIEN D.C.



200605220231
Skagit County Auditor

5/22/2006 Page 9 of 24 1:21PM

ARTICLE 6. SUCCESSOR TRUSTEE

6.1 Successors. If WILLIAM H. BARNES resigns, fails, or otherwise ceases to serve as Trustee hereunder, or at any time during which he is deemed to be incapacitated pursuant to Article 5 hereof, MERRILL LYNCH TRUST COMPANY, FSB, a Federal Savings Bank, shall serve as successor Trustee hereunder. If MERRILL LYNCH TRUST COMPANY, FSB is unable or unwilling to serve or resigns, then it shall appoint an appropriate corporate successor trustee. If no corporate successor trustee is willing to serve, then MARY E. BRADDOCK shall serve as successor Trustee. If she is unable or unwilling to serve or resigns, then JOHN C. BARNES shall serve as successor Trustee. If he is unable or unwilling to serve or resigns, then CAROL A. MADISON shall serve as successor Trustee.

6.2 Restored Capacity. Notwithstanding the provisions of Paragraph 6.1 above, if WILLIAM H. BARNES is not serving as Trustee on account of incapacity as determined under Article 5 hereof, when he again regains his capacity as determined pursuant to such Article 5 and upon written notice to the then acting Trustee of his desire to again act as Trustee, he shall again serve as Trustee hereunder. The then acting Trustee shall resign as Trustee until a successor Trustee is again needed, as provided under Paragraph 6.1 at which time the named successor shall again become Trustee hereunder.

6.3 Liability and Restrictions. Any Trustee may resign and any successor Trustee may act as Trustee without need to comply with the provisions of any state law regarding the resignation or succession of trustees. No successor Trustee of this Revocable Living Trust shall be liable for any act or omission of a predecessor or obligated to inquire into the validity or propriety of any such act or omission. Any such successor Trustee shall be entitled to accept as conclusive any accounting and statement of assets furnished to such successor by a predecessor or by the personal representative of such predecessor and shall further be entitled to receipt only for those assets included in such statement. No Trustee hereunder need give bond, in any jurisdiction. If a Trustee's bond may not be dispensed with in any jurisdiction, the Trustor requests that it be set in the lowest possible amount.

ARTICLE 7. TRUST POWERS

The Trustee, including any successor Trustee hereunder, shall have all the rights, powers, and duties given by law on the date hereof, including those set forth in RCW 11.98.070, or any

REVOCABLE TRUST OF
WILLIAM H. BARNES - Page 8 of 19

RAAS
P.C.



200605220231
Skagit County Auditor

successor provision thereto, except as modified or increased as hereinafter provided:

7.1 Direct Payments. The Trustee may apply property which becomes payable to the Trustor when considered incapacitated pursuant to Article 5 hereof, or to any other person who in the judgment of the Trustee is incapable of making proper disposition thereof, by payments on behalf of the beneficiary to anyone with whom the beneficiary resides, by payments in discharge of the beneficiary's bills, by payments to any trust or guardianship established for such beneficiary's benefit, by payments to any bank account in an insured financial institution for the benefit of the beneficiary directly, without the intervention of any guardian or other fiduciary.

7.2 Diversification. The Trustee may acquire by purchase, gift, bequest, insurance or trust designation, exercise of options, or otherwise, and retain so long as the Trustee deems advisable, any kind of realty and personalty, or undivided interests therein, all without diversification as to kind or amount. The Trustee is expressly authorized to purchase, acquire, hold, and retain, as an asset of the trust estate, unproductive property of every kind and description, including specifically any interest of the Trustor in any residence or vacation home.

7.3 Merger. The Trustee may merge any trust created herein with another trust having substantially similar terms and beneficiaries created under this or another instrument, if in the judgment of the Trustee such a merger is advisable.

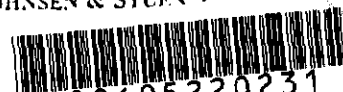
7.4 Sales. The Trustee may sell for cash or on credit (at public or private sale), exchange, grant options to purchase (without regard to statutory restrictions), or otherwise convey or dispose of any real or personal property, upon such terms as the Trustee deems advisable and without any notice whatsoever.

7.5 Claims. The Trustee may waive, reduce, extend the time of payment of, or compromise claims in favor of or against the Trust.

7.6 Management Activities. The Trustee, with respect to trust property, may lease or grant options to lease, for periods to begin presently or in the future, without regard to statutory restrictions or the probable duration of any trust and for any purpose, including exploration for and removal of gas, oil, and other minerals; may enter into community oil leases and pooling and unitization agreements; may erect or alter buildings or otherwise improve or modify trust property; may make ordinary and

REVOCABLE TRUST OF
WILLIAM H. BARNES - Page 9 of 19

RAAS, JOHNSEN & STUEN P C



200605220231
Skagit County Auditor

5/22/2006 Page 11 of 24 1:21PM

extraordinary repairs; may grant easements and charges; may make party-wall contracts; may dedicate roads; may subdivide property; may adjust boundary lines; may partition and convey property or pay money for equality of partition; may encumber property; may demolish or abandon improvements; may execute, grant, or create covenants affecting real estate, servitudes, rights-of-way, or other conditions and restrictions, and may release the same; and may seek zoning, rezoning, variance or nonconforming use permits.

7.7 Agents. The Trustee may employ and compensate, as seems proper, agents, accountants, brokers, attorneys in fact, attorneys at law, tax specialists, investment counselors, property managers, and other assistants and advisers deemed by the Trustee to be necessary for the proper administration of this trust, and may do so without liability for any neglect, omission, misconduct, or default of any such agent or attorney provided he or she was selected and retained with reasonable care.

7.8 Accounting. With respect to individual trustees only, the Trustee need not comply with the obligations to provide an annual accounting under RCW 11.106.020 or any similar law.

7.9 Insurance. The Trustee may carry, at the expense of the trust, insurance of such kinds and in such amounts as the Trustee deems advisable to protect the trust estate.

7.10 Taxes. The Trustee may pay, out of principal or income, or partially out of each, as the Trustee in the Trustee's discretion shall determine, any property taxes and assessments levied against trust property. The Trustee may elect to pay any assessment in a lump sum or in installments, and if the installment method is selected, may treat each installment as a separate levy for the purpose of charging the same to principal or income.

7.11 Apportionment. The Trustee may determine, in the Trustee's discretion, all matters with respect to what is principal and income, including apportionment and allocation of receipts and expenses between these accounts, and may make adjustments between income and principal for premiums, discounts, depreciation, or depletion (without being required to do so), all without regard to the requirements of any state laws.

7.12 Waiver of Notice. Pursuant to RCW 11.97.010, the Trustee shall be relieved of any and all restrictions, duties and liabilities imposed by or arising from RCW 11.100.140 or any similar requirements of prior case law (as referenced in RCW 11.100.140(8)) regarding notice and procedure for non-routine transactions, and Trustee shall not be liable to any person for any

REVOCABLE TRUST OF
WILLIAM H. BARNES - Page 10 of 19

RAAS, JOHNSEN & STUEN, P.S. • Attorneys at Law
114 08227 • (206) 647-0234



200605220231
Skagit County Auditor

5/22/2006 Page 12 of 24 1:21PM

loss, damage, cause of action or claim attributable to Trustee's failure to comply with RCW 11.100.140 or any similar requirements of prior case law.

7.13 Protection From Creditors. No share or interest of any beneficiary shall vest in the beneficiary until actually paid or delivered to him or her by Trustee. No share or interest of a beneficiary shall be liable for his or her debts or be subject to the process or seizure of any court or be an asset in bankruptcy of any beneficiary. No beneficiary hereunder shall have power to anticipate, alienate or encumber his or her interest in a trust estate or in the income therefrom. If by reason of a bankruptcy, judgment or any other cause, any income or principal would, except for this provision, vest in or be enjoyed by any person other than the beneficiary intended by the terms of this instrument, then such principal or income shall not be distributed but shall be withheld by Trustee during the life of the beneficiary or any shorter period or periods in the absolute discretion of the Trustee.

7.14 Trustee Compensation. Any Trustee who is not the Trustor shall receive for services hereunder reasonable annual compensation.

ARTICLE 8. MERRILL LYNCH TRUST COMPANY PROVISIONS

Notwithstanding the foregoing provisions, so long as MERRILL LYNCH TRUST COMPANY, FSB, a Federal Savings Bank (hereinafter "Merrill Lynch Trust" and/or the "Trustee") or a successor corporate trustee serves as trustee, the following provisions shall also apply and shall take precedence over any conflicting provisions hereof:

8.1 Powers of Merrill Lynch Trust Company, FSB, Regarding Affiliates. Merrill Lynch Trust shall have the following specific powers as to trust property and may exercise the same in its sole and absolute discretion without Court order or approval:

A. To engage any corporation, partnership or other entity affiliated with Merrill Lynch Trust (an "Affiliated Entity") to render services to any trust hereunder, including, without limitation:

(1) To manage or advise on the investments of such trust on a discretionary or non-discretionary basis.

(2) To act as a broker or dealer to execute transactions, including the purchase of any securities

REVOCABLE TRUST OF
WILLIAM H. BARNES - Page 11 of 19

RAAS, JOHNSEN & STUEN, P.S. • Attorneys at Law



200605220231

Skagit County Auditor

currently distributed, underwritten or issued by an Affiliated Entity, at standard commission rates, markups or concessions and to provide other management or investment services with respect to such trust, including the custody of assets and to pay for any such services from trust property, without reduction for any compensation paid to Merrill Lynch Trust for its services as Trustee.

B. To invest in mutual funds offered by an Affiliated Entity or to which an Affiliated Entity may render services and from which an Affiliated Entity receives compensation.

C. To retain or sell the trust property, including any securities issued by Merrill Lynch & Co., Inc., and to invest and reinvest the same in all forms of property, including, without limitation, stocks, bonds, mutual funds, notes, securities or other property, including securities issued by Merrill Lynch & Co., Inc.

D. To cause or permit all or any part of any trust hereunder to be held, maintained or managed in any jurisdiction and to hold any trust property in the name of its nominee or a nominee of any Affiliated Entity.

8.2 Indemnification. The Trustor agrees to indemnify and hold harmless Merrill Lynch Trust as Trustee and the Affiliated Entities from and against any and all claims, demands, losses, liabilities, damages and expenses, which may be sustained at any time because of any act or omission, including acts or omissions of ordinary negligence, occurring before the date the trust property was received by Merrill Lynch Trust. Merrill Lynch Trust is expressly relieved of any duty or responsibility to audit or review the actions or accounts of its predecessor and, further, is relieved from any liability for the acts or omissions of its predecessor, known or unknown.

8.3 Compensation of the Trustee. Merrill Lynch Trust, and any successor corporate Trustee, shall receive payment for its services in accordance with its schedule of rates in effect at the time such compensation becomes payable, without reduction for any other fees or other compensation paid to Merrill Lynch Trust or an Affiliated Entity, including, but not limited to, such fees or other compensation paid by any mutual fund, unit investment trust or other investment vehicle, or an agent. Such compensation may be paid without Court approval.

REVOCABLE TRUST OF
WILLIAM H. BARNES - Page 12 of 19

R
P.



200605220231
Skagit County Auditor

8.4 Acceptance of Real Estate and Certain Trust Property. Merrill Lynch Trust shall not be deemed to have accepted title to, and shall not act or be obligated to act in any way as a Fiduciary with respect to, any real property, including any real property owned or operated by a sole proprietorship, general or limited partnership, limited liability company, or closely held corporation or any interest in any such business enterprise, which is or may become an asset of the trust until:

A. An appropriate environmental audit is performed at the expense of the Trustor or the trust to determine that conditions at such real property or operations conducted by such business enterprise are in compliance with state and federal environmental laws and regulations affecting such real property or such business enterprise, and

B. Merrill Lynch Trust has accepted such property as an asset of the trust by a separate writing delivered to the Trustor, if living, or, if not, to the income beneficiary or beneficiaries of the trust (or their natural or legal guardians), and to the co-Trustee, if any.

8.5 Other Powers. The Trustee shall have the power to employ, and to delegate any of its discretionary and non-discretionary powers to agents, including, but not limited to, attorneys, investment advisors, appraisers or accountants as it deems necessary and proper and to pay for such services from the trust property.

8.6 Resignation of Trustee and Appointment of Successor Trustee. The Trustee may resign as Trustee of any trust hereunder at any time by written notice delivered to any co-Trustee(s) and to all beneficiaries to whom current trust income may or must then be distributed, or to the natural or legal guardians of such beneficiaries (the "Income Beneficiaries"). The Trustor of a revocable trust, and the co-Trustee of an irrevocable trust or, if none is serving, a majority of the Income Beneficiaries shall have the right to remove the Trustee of any trust hereunder by signed written notice delivered to the Trustee. Such resignation or removal shall be effective upon the written appointment of a successor Trustee, other than the Trustor, an Income Beneficiary, or a related or subordinate party within the meaning of § 672(c) of the Internal Revenue Code of 1986, as amended. A majority of the Income Beneficiaries shall have the power to appoint a successor Trustee, or in default of such appointment, the Trustee shall have the power to appoint an Affiliated Entity qualified to perform trust services as successor Trustee or shall petition the court to appoint its successor. All of the Trustee's fees and expenses

REVOCABLE TRUST OF
WILLIAM H. BARNES - Page 13 of 19

5/14/06



200605220231
Skagit County Auditor

(including reasonable attorneys fees) attributable to the appointment of a successor Trustee shall be paid by such trust. No bond or other security shall be required of the Trustee or any successor Trustee in any jurisdiction. Any successor Trustee shall have the same powers, authorities and discretions as though originally named as the Trustee.

8.7 Agency Cross Transactions. The Trustor understands and acknowledges that an Affiliated Entity of Merrill Lynch Trust may act as agent for the Trustee while also acting as agent for mutual funds offered by an Affiliated Entity or to which an Affiliated Entity may render services ("MLAM mutual funds") or for the MLAM mutual funds' principal underwriter or distributor. The Trustor further understands and acknowledges that such transactions may be considered "agency cross" transactions which would typically involve potential conflicts of interest, and in which the agent would ordinarily receive commissions on both sides of such transactions. However, the Trustor further understands that when Merrill Lynch Trust invests in MLAM mutual funds, all fund shares are purchased at net asset value and are not subject to the imposition of any front-end or contingent deferred sales charges, although money market funds may have annual Rule 12b-1 fees. THE TRUSTOR CONSENTS TO THE AGENCY CROSS TRANSACTIONS DESCRIBED ABOVE AND UNDERSTANDS THAT SUCH CONSENT IS REVOCABLE. The person or persons having the power to remove the Trustee shall also have the power to revoke this consent. The Trustor also understands that if consent is revoked, Merrill Lynch Trust may resign as Trustee.

8.8 Authorization of "Consults Service". The Trustee is authorized:

A. To utilize the Merrill Lynch Consults Service ("Consults Service") or any other investment service offered by an Affiliated Entity in the management of the investment of the trusts, without regard to any resulting increase in the compensation of Merrill Lynch Trust or an Affiliated Entity, and to designate the trust property to be managed through the Consults Service and appoint (and, from time to time, replace) the investment manager or managers, including an Affiliated Entity, for those assets; provided that during the Trustor's lifetime, Merrill Lynch Trust may, but need not, consider the wishes of the Trustor as to the selection of a manager.

B. To submit to arbitration any dispute with respect to the Consults Service between the Trustee and any Consults Service investment manager, including an Affiliated Entity, or Merrill Lynch, Pierce, Fenner & Smith Incorporated or any other investment service offered by an Affiliated Entity.

REVOCABLE TRUST OF
WILLIAM H. BARNES - Page 14 of 19



200605220231

Skagit County Auditor

8.9 Special Trustee. MAE GREATHOUSE is hereby appointed as Special Trustee for any and all securities issued by Merrill Lynch & Co., Inc., tangible personal property, or real property that is currently held, or may be held in the future, as an asset of this trust.

A. The Special Trustee shall serve as sole Trustee with respect to such property and shall hold title solely in his or her name as Special Trustee under this instrument. With respect to such property only, all the powers granted to the Trustee by this instrument shall be exercised solely by the Special Trustee. The Trustee shall not be responsible or liable for overseeing the actions of the Special Trustee. The Special Trustee may receive reasonable compensation for services rendered in such capacity, in addition to the compensation to which the Trustee is entitled under this Agreement provided, however, that the value of the property under the control of the Special Trustee shall not be included when calculating compensation of the Trustee. The Trustee shall be absolved from all liability arising out of the exercise or non-exercise of the powers herein granted to the Special Trustee of such property. The net income and the proceeds of sale of all or any part of such property shall be remitted to the Trustee to be administered under this instrument.

B. If at any time the Special Trustee ceases to act, the Trustor, if living, or after the Trustor's death, a majority of the income beneficiaries, or the natural or legal guardians of such beneficiaries, shall have the power by written notice to appoint a successor Special Trustee. In default of such appointment, the Trustee shall petition the Court to appoint a successor Special Trustee. All of the Trustee's fee and expenses (including reasonable attorney's fees) attributable to the appointment of a successor Special Trustee shall be paid by such trust.

8.10 Life Insurance Provisions. Notwithstanding any provisions herein to the contrary, the trustee may purchase life insurance on the life of either the Trustor or the Trustor's spouse HELEN L. BARNES (the "Trustor's spouse"), or both of them, and use trust property to pay the premiums thereon. Life insurance may not be purchased on the life of any co-Trustee. The Trustee may exercise, either before or after the death of the survivor of the Trustor and the Trustor's spouse, all the rights, options, elections, privileges and other powers exercisable in connection with any such policy and may receive all payments in respect thereof.

REVOCABLE TRUST OF
WILLIAM H. BARNES - Page 15 of 19



200605220231
Skagit County Auditor

5/22/2006 Page 17 of 24 1:21PM

A. These rights and options shall include, but shall not be limited to, the right to (i) borrow money with which to pay premiums on any such policy owned by the trust or for any other trust purpose and to pledge such policy as security for any such loan; (ii) collect dividends, death or other benefits (including disability benefits); (iii) convert any such policy into other forms of insurance; (iv) surrender payments which may be due or collectible in respect of any such policy; (v) elect among settlement options offered by the insurance company which issued any such policy; (vi) cancel or surrender any such policy and receive its cash surrender value; (vii) purchase paid-up life insurance additions with policy dividends; and (viii) convert any such policy to paid-up insurance, extended term insurance or any different form of insurance.

B. The Trustee shall not be responsible for the lapse or other failure, in whole or in part, of any such policy due to the insufficiency of the trust property to provide for the payment of premiums or other charges in respect thereof. The Trustee shall have no obligation to bring suit to collect any amounts payable in respect of any such policy unless its expenses in connection therewith shall have been provided for in a manner satisfactory to it.

C. The Trustee shall be specifically authorized to purchase, invest and reinvest through or from an Affiliated Entity, acting as agent or issuer, any life insurance policy or annuity contract, including, without limitation, any variable life insurance policy or variable annuity contract, the assets under which may be allocated by Merrill Lynch Trust to one or more separate accounts managed by an Affiliated Entity.

ARTICLE 9. SITUS

9.1 Location of Trust. The situs and place of administration ("situs") of any trust created under this Revocable Living Trust shall, as to real property held in trust, be the jurisdiction where such property is located. The situs of any trust shall, as to personal property, be (i) the location of the main business office of the Trustee who then has custody of the trust records, wherever the Trustee may locate that office, or (ii) any other situs (designated by the Trustee in a writing filed with the trust) that has sufficient contact with the trust to support jurisdiction of its courts over the trust. These provisions shall apply regardless of the Trustor's domicile at the execution of this instrument or at

REVOCABLE TRUST OF
WILLIAM H. BARNES - Page 16 of 19



200605220231

Skagit County Auditor

person's free and voluntary act for the uses and purposes mentioned in the instrument.

DATED this 5th day of April, 2001.



Susan L. McMahan
NOTARY PUBLIC for the State of Washington.
My appointment expires 11/9/01

REVOCABLE TRUST OF
WILLIAM H. BARNES - Page 18 of 19

W1-13



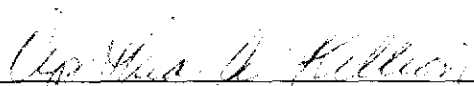
200605220231
Skagit County Auditor

CERTIFICATION

EXHIBIT 2

MERRILL LYNCH TRUST COMPANY, FSB

I, Cynthia Killion, Assistant Vice President and Secretary of Merrill Lynch Trust Company, FSB a federal savings bank incorporated under the laws of the Office of Thrift Supervision, hereby certify that Brian Saglimben was elected a Vice President by the Board of Directors of said corporation at a meeting held on the 28th day of April 2004, at which a quorum was present and voting, and that the same has not been repealed or amended and remains in full force and effect.



Cynthia A. Killion, Assistant Vice President &
Secretary, Merrill Lynch Trust Company, FSB

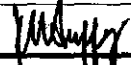
(SEAL)

DATED: May 1, 2006



200605220231
Skagit County Auditor

STATE OF WASHINGTON DEPARTMENT OF HEALTH

Local File Number 749-05		Washington State Certificate of Death			State File Number	
1. Legal Name (include AKA's if any) First Middle LAST Suffix William H. BARNES				2. Death Date Sept 29, 2005		EXHIBIT 3
3. Sex (M/F) M	4a. Age - Last Birthday 89	4b. Under 1 Year Months Days	4c. Under 1 Day Hours Minutes	5. Social Security Number 535-01-6340	6. County of Death Skagit	
7. Birthdate Apr 25, 1916		8a. Birthplace (City, Town, or County) Bellingham		8b. (State or Foreign Country) Washington		9. Decedent's Education Some College
10. Was Decedent of Hispanic Origin? (Yes or No) If yes, specify. No				11. Decedent's Race(s) White		12. Was Decedent ever in U.S. Armed Forces? Yes
13a. Residence: Number and Street (e.g., 624 SE 5 th St.) (include Apt. No.) 9395 Thresher St.				13b. City or Town Sedro Woolley		
13c. Residence: County Skagit		13d. Tribal Reservation Name (if applicable)		13e. State or Foreign Country Washington	13f. Zip Code + 4 98284-	13g. Inside City Limits? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unk
14. Estimated length of time at residence: 11y		15. Marital Status at Time of Death Married		16. Surviving Spouse's Name (Give name prior to first marriage) Helen L. Wilcox		
17. Usual Occupation (Indicate type of work done during most of working life. (DO NOT USE RETIRED).) Inspector				18. Kind of Business/Industry (Do not use Company Name) Government		
19. Father's Name (First, Middle, Last, Suffix) Harry Barnes				20. Mother's Name Before First Marriage (First, Middle, Last) Amanda Bolander		
21. Informant's Name Helen L. Barnes		22. Relationship to Decedent Wife		23. Mailing Address: Number and Street or RFD No. City or Town State Zip 9395 Thresher St. Sedro WA 98284-		
24. Place of Death, if Death Occurred in a Hospital:				Place of Death, if Death Occurred Somewhere Other than a Hospital: Nursing Home		
25. Facility Name (if not a facility, give number & street or location) Life Care Center of Skagit Valley				26a. City, Town, or Location of Death Sedro Woolley		26b. State WA
27. Zip Code 98284		28. Method of Disposition Burial		29. Place of Final Disposition (Name of cemetery, crematory, other place) Evergreen Washelli		
30. Location - City/Town and State Seattle, Washington				31. Name and Complete Address of Funeral Facility Hawthorne Funeral Home 1825 E. College Way Mount Vernon, WA 98273-0398		
32. Date of Disposition October 3, 2005				33. Funeral Director Signature X 		
Cause of Death (See instructions and examples)						
34. Enter the chain of events - diseases, injuries, or complications - that directly caused the death. DO NOT enter terminal events such as cardiac arrest, respiratory arrest, or ventricular fibrillation without showing the etiology. DO NOT ABBREVIATE. Add additional lines if necessary.						
IMMEDIATE CAUSE (Final disease or condition resulting in death) →		a. Cardiac Arrhythmia		Interval between Onset & Death Unknown		
Sequentially list conditions, if any, leading to the cause listed on line a. Enter the UNDERLYING CAUSE (disease or injury that initiated the events resulting in death) LAST		b. Coronary Heart Failure		Interval between Onset & Death Unknown		
		c. Aortic Valve Replacement		Interval between Onset & Death Unknown		
		d.		Interval between Onset & Death		
35. Other significant conditions contributing to death but not resulting in the underlying cause given above DM II, A. Fib with brn				36. Autopsy? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		37. Were autopsy findings available to complete the Cause of Death? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
38. Manner of Death <input checked="" type="checkbox"/> Natural <input type="checkbox"/> Homicide <input type="checkbox"/> Accident <input type="checkbox"/> Undetermined <input type="checkbox"/> Suicide <input type="checkbox"/> Pending		39. If female <input checked="" type="checkbox"/> Not pregnant within past year <input type="checkbox"/> Not pregnant, but pregnant within 42 days before death <input type="checkbox"/> Pregnant at time of death <input type="checkbox"/> Not pregnant, but pregnant 43 days to 1 year before death <input type="checkbox"/> Unknown if pregnant within the past year		40. Did tobacco use contribute to death? <input type="checkbox"/> Yes <input type="checkbox"/> Probably <input checked="" type="checkbox"/> No <input type="checkbox"/> Unknown		
41. Date of Injury (MM/DD/YYYY)		42. Hour of Injury (24hrs)		43. Place of Injury (e.g., Decedent's home, construction site, restaurant, wooded area)		44. Injury at Work? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unk
45. Location of Injury: Number & Street: City or Town: County: State: Zip Code + 4:				46. Describe how injury occurred		
47. If transportation injury, specify: <input type="checkbox"/> Driver/Operator <input type="checkbox"/> Pedestrian <input type="checkbox"/> Passenger <input type="checkbox"/> Other (Specify)				48a. Certifying Physician - To the best of my knowledge, death occurred at the time, date, and place and due to the causes and manner stated. x Edwin Stickle M.D.		
48b. Medical Examiner/Coroner - On the basis of examination and investigation, in my opinion, death occurred at the time, date, and place and due to the causes and manner stated. x				49. Name and Address of Certifier - Physician, Medical Examiner or Coroner (Type or Print) H. Edwin Stickle M.D. 1952 Hospital Drive, Sedro-Woolley, WA 98284		50. Hour of Death (24hrs) 0530
51. Name and Title of Attending Physician if other than Certifier (Type or Print)				52. Date Signed (MM/DD/YYYY) 09/29/2005		
53. Title of Certifier M.D.		54. License Number		55. ME/Coroner File Number		56. Was case referred to ME/Coroner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
57. Registrar Signature x Conner Anderson, Deputy				58. Date Received (MM/DD/YYYY) SEP 30 2005		
59. Amendments						



200605220231
Skagit County Auditor

Affidavit for Correction

Center for Health Statistics
P.O. Box 9709
Olympia, WA 98507-9709
(360) 236-4300

This is a legal Document. Complete in ink and do not alter.

STATE OFFICE USE ONLY

State File Number	Fee Number	Initials	Date	Affidavit Number
-------------------	------------	----------	------	------------------

Use the section below for requesting any changes on the record.

Record Type: Birth Death Marriage Dissolution

1. Name on record:	2. Date of Event:	3. Place of Event: (City or County)
--------------------	-------------------	-------------------------------------

4. Father's Full Name (For Birth): (Husband for Marriage or Dissolution)	5. Mother's Full Name (For Birth): (Wife for Marriage or Dissolution)
--	---

The Record is Incorrect or Incomplete as follows:

6. The Record now shows:	7. The True fact is:
8.	9.
10.	11.
12.	13.

14. I represent the person as: Self Parent Guardian Informant Funeral Director Other (Specify) Telephone Number:

I declare under penalty of perjury under the laws of the State of Washington that the forgoing is true and correct.

15. Signature:	16. Date:	17. Address:
----------------	-----------	--------------

All vital records are registered as received. An item may be changed by affidavit only once. Subsequent changes must be made by court order. The incorrect certificate must be returned within one year of the date it was issued to receive a replacement copy free of charge.

All changes must be established by documentary proof submitted with the affidavit
 Examples of documentary proof: Certificate of Naturalization, Hospital Records, Insurance Records, Marriage/Divorce Records, Medical Record, Military Record (DD-214), Birth Record, Passport, School Record, Voter's Registration Card (if it bears an effective date), Alien Registration Card (front and back)

- Birth Certificates:**
- Only a parent, legal guardian (if the child is under 18), or the adult themselves (if 18 or older) may change the birth certificate.
 - The proof(s) must match exactly the asserted true fact(s). For example, if the affidavit says the name is Mary Ann Doe, then the proof must show the name to be Mary Ann Doe. Mary A. Doe or M.A. Doe does not prove the name is Mary Ann Doe.
 - Proof must be five (or more) years old or have been established within five years of birth.
 - Up to age one, the parent(s) or legal guardian may change the child's last name with an affidavit for correction, provided:
 - This is a one time only change. Subsequent changes will require a certified copy of a court ordered name change.
 - The new last name may be the mother's maiden name or father's name (if present on the certificate) or any combination of the two.
 - After age one, last name changes require a certified copy of a court ordered name change. Minor spelling changes may be made with an affidavit and documentary proof.
 - Parent(s) may change their child's first or middle name by completing and signing an affidavit for correction (until their child's 18th birthday).
 - This affidavit cannot be used to add a father to a birth certificate. (Use the paternity affidavit - form DOH/CHS 021)**

- Death Certificates:**
- Only the informant, the funeral director, or executors/administrators (if evidence confirming such position is presented) may change the non-medical information.
 - The medical information (cause of death) may be changed only by the certifying physician or the coroner/medical examiner.
 - If it is less than sixty days from date of death please contact the county health department where the death occurred to make changes.

- Marriage/Dissolution (Divorce) Certificates:**
- Personal fact(s) (minor spelling changes in name, date or place of birth or residence) may be changed by affidavit (with proof) by the person.
 - To change the date or place of marriage or dissolution, the officiant (marriage) or clerk of court (dissolution) must sign the affidavit.

DOH/CHS 023 (Rev. 9/2002)

*** CERTIFIED ***

SEP 30 2005



200605220231
Skagit County Auditor

Howard M.D.
Skagit County Public Health Department
Howard Leibrand M.D., Health Officer

STATEMENT

NR05030276