



202201180066

01/18/2022 09:05 AM Pages: 1 of 32 Fees: \$234.50
Skagit County Auditor

After Recording Return To:

Gary B. Harris
10015 183rd Pl SE
Snohomish, WA 98296

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

JAN 18 2022

Amount Paid \$
By Skagit Co. Treasurer Deputy

DOCUMENT TITLE: Trustee's Deed
REFERENCE NUMBER OF RELATED DOCUMENT:
GRANTOR: Gary B. Harris, successor Trustee of the Harris Family
Revocable Living Trust dated March 21, 1996
GRANTEE: Gary B. Harris, a single man
ABBREVIATED LEGAL: CHASE AC PTN LTS 13 & 14 DAF...
LEGAL DESCRIPTION LOCATED ON EXHIBIT "A" OF THIS DEED
ASSESSOR'S PARCEL NUMBER: P64390; 3881-000-014-0309

TRUSTEE'S DEED

The undersigned Grantor, Gary B. Harris, successor Trustee of the Harris Family Revocable Living Trust dated March 21, 1996, and not in his individual capacity, as a distribution of the trust to beneficiary, does hereby transfer and convey to Gary B. Harris, a single man, the following-described real estate, situated in Skagit County, Washington, including any after acquired title:

SEE LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A"
AND INCORPORATED HEREIN BY REFERENCE.

See Certification of Trust attached hereto as Exhibit "B" and incorporated herein by reference.

DATED this 20 day of December 2021.

GARY B. HARRIS, successor Trustee
and not in his individual capacity

STATE OF WASHINGTON)
)ss.
COUNTY OF WHATCOM)

I certify that I know or have satisfactory evidence that Gary B. Harris is the person who appeared before me, and said person acknowledged that he signed this instrument on oath and stated that he was authorized to execute the instrument and acknowledged it as the successor Trustee of the Harris Family Revocable Living Trust dated March 21, 1996, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: December 30, 2021.



Tory F Johnson
Name:
NOTARY PUBLIC in and for the State of
Washington, residing at Whatcom County.
My Appointment Expires: 4-28-2023

CERTIFICATION OF TRUST

Exhibit B

Pursuant to RCW 11.98.075:

The Harris Family Revocable Living Trust dated March 21, 1996 exists.

The surviving Grantor of The Harris Family Revocable Living Trust dated March 21, 1996 was:
Barbara J. Harris.

The current Trustee is: Gary B. Harris.

The Trustee's address is: 10015 183rd Pl SE, Snohomish, Washington 98296.

The Trustee's phone number is: (425) 218-5735.

The Trustee has all powers as trustee under The Harris Family Revocable Living Trust dated March 21, 1996 and under RCW 11.98.

The Harris Family Revocable Living Trust dated March 21, 1996 is irrevocable.

The Harris Family Revocable Living Trust dated March 21, 1996 has not been revoked, modified, or amended in any manner that would cause the representations contained in this certification of trust to be incorrect.

Dated this 20 day of DECEMBER 2021

 Gary B. Harris, Trustee

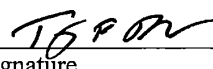
 STATE OF WASHINGTON)
) ss.
 COUNTY OF WHATCOM)
SUBSCRIBED AND SWORN TO before me this 20 day of December 2021.

 Signature
 Printed Name
 NOTARY PUBLIC for the State of Washington
 Residing at: Whatcom County.
 My appointment expires on: 4-28-23

EXHIBIT A

A tract of land in Lots 13 and 14, Chase Acreage, beginning at the SW corner of said Lot 14; thence North $53^{\circ}29'$ E, 45.06 feet along Southerly line of said Lot 14; thence North $11^{\circ}26'$ West, 182.7 feet intersecting the West line of said Lot 14 at a point 205.9 feet North of its SW corner, thence continuing North $11^{\circ}26'$ West to Hanson Creek, the North boundary of said Lot 13; thence Westerly and Southerly following center line of said creek to the south line of said Lot 13; thence North $53^{\circ}29'$ East 176 feet, more or less, to the SE corner of said Lot 13, the place of beginning in Section 20, Township 35 North, Range 5 E.W.M. inc M/H KWOOD 71 64x12 SER#1455 PC4.

STATE OF WASHINGTON

DEPARTMENT OF HEALTH

CERTIFICATE OF DEATH



CERTIFICATE NUMBER: 2021-007850

DATE ISSUED: 02/18/2021
FEE NUMBER:

FIRST AND MIDDLE NAME(S): BARBARA JUNE
LAST NAME(S): HARRIS

COUNTY OF DEATH: SKAGIT
DATE OF DEATH: FEBRUARY 15, 2021
HOUR OF DEATH: 09:20 AM
SEX: FEMALE AGE: 97 YEARS
SOCIAL SECURITY NUMBER: [REDACTED]

HISPANIC ORIGIN: NO, NOT SPANISH/HISPANIC/LATINO
RACE: WHITE

BIRTH DATE: [REDACTED]
BIRTHPLACE: SEDRO WOOLLEY, WA

MARITAL STATUS: WIDOWED
SURVIVING SPOUSE: NOT APPLICABLE

OCCUPATION: NURSE
INDUSTRY: NURSING
EDUCATION: ASSOCIATE DEGREE
US ARMED FORCES: NO

INFORMANT: GARY HARRIS
RELATIONSHIP: GRANDSON
ADDRESS: 10015 183RD PL SE SNOHOMISH, WA 98296

CAUSE OF DEATH:
A: UNDETERMINED NATURAL CAUSES
INTERVAL: 2 WEEKS

B:
INTERVAL:

C:
INTERVAL:

D:
INTERVAL:

OTHER CONDITIONS CONTRIBUTING TO DEATH:

DATE OF INJURY:
HOUR OF INJURY:
INJURY AT WORK:
PLACE OF INJURY:

LOCATION OF INJURY:

CITY, STATE, ZIP:
COUNTY:
DESCRIBE HOW INJURY OCCURRED:

IF TRANSPORTATION INJURY, SPECIFY: NOT APPLICABLE

PLACE OF DEATH: NURSING HOME/LONG TERM CARE FACILITY
FACILITY OR ADDRESS: LIFE CARE CENTER
CITY, STATE, ZIP: SEDRO WOOLLEY, WASHINGTON 98284

RESIDENCE STREET: 610 STATE STREET
CITY, STATE, ZIP: SEDRO WOOLLEY, WA 98284
INSIDE CITY LIMITS: YES COUNTY: SKAGIT
TRIBAL RESERVATION: NOT APPLICABLE
LENGTH OF TIME AT RESIDENCE: 70 YEARS

FATHER: NICHOLAS KLAUS
MOTHER: MATTIE ELLEN [REDACTED]

METHOD OF DISPOSITION: ENTOMBMENT
PLACE OF DISPOSITION: HAWTHORNE MEMORIAL PARK

CITY, STATE: MOUNT VERNON, WASHINGTON
DISPOSITION DATE: FEBRUARY 24, 2021

FUNERAL FACILITY: HAWTHORNE FUNERAL HOME

ADDRESS: PO BOX 398
CITY, STATE, ZIP: MOUNT VERNON, WASHINGTON 98273
FUNERAL DIRECTOR: THOMAS CUFLEY

MANNER OF DEATH: NATURAL
AUTOPSY: NO
WERE AUTOPSY FINDINGS AVAILABLE TO COMPLETE
CAUSE OF DEATH: NOT APPLICABLE
DID TOBACCO USE CONTRIBUTE TO DEATH: NO
PREGNANCY STATUS IF FEMALE: NO RESPONSE

CERTIFIER NAME: SANDRA WILMOT, ARNP
TITLE: ARNP
CERTIFIER ADDRESS: 1201 PACIFIC AVENUE #600
CITY, STATE, ZIP: TACOMA, WASHINGTON 98402
DATE SIGNED: FEBRUARY 16, 2021

CASE REFERRED TO ME/CORONER: NO
FILE NUMBER: NOT APPLICABLE
ATTENDING PHYSICIAN: NOT APPLICABLE

LOCAL DEPUTY REGISTRAR: BELEN MARTINEZ
DATE RECEIVED: FEBRUARY 17, 2021



Affidavit for Correction

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

Mail to: Center for Health Statistics
P.O. Box 47814
Olympia, WA 98504-7814
360-236-4300

STATE OFFICE USE ONLY				
State File Number	Fee Number	Initials	Date	Affidavit Number
Required information must match current information on record				
Record Type: <input type="checkbox"/> Birth <input type="checkbox"/> Death <input type="checkbox"/> Marriage <input type="checkbox"/> Dissolution (Divorce)				
1. Name on Record:		2. Date of Event:		3. Place of Event:
First	Middle	Last	MM/DD/YYYY	(City or County)
4. Father/Parent Full Birth Name (Spouse A for Marriage or Dissolution)			5. Mother/Parent Full Birth Name (Spouse B for Marriage or Dissolution)	
First	Middle	Last/Maiden	First	Middle
6. Name of Person Requesting Correction:			Relationship to <input type="checkbox"/> Self <input type="checkbox"/> Guardian <input type="checkbox"/> Informant <input type="checkbox"/> Hospital	
			Person on Record: <input type="checkbox"/> Parent(s) <input type="checkbox"/> Funeral Director <input type="checkbox"/> Other (specify) _____	
7. Return Mailing Address:				
PO Box or Street Address		City	State	Zip
Telephone Number:		Email Address:		
()				
Use the section below for requesting any changes on the record. The record is incorrect or incomplete as follows:				
The record currently shows:		The true fact is:		
8.		9.		
10.		11.		
12.		13.		
I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.				
14a. Signature:		14b. Signature of 2 nd parent (if required):		
Printed name:	Date:	Printed name:	Date:	
INSTRUCTIONS – go to www.doh.wa.gov for more information				
Required proof documentation must be submitted with the affidavit and include full name and birth date. Examples of proof documentation include:				
<ul style="list-style-type: none"> • Birth/Marriage/Divorce record • Military record (DD-214) • School transcripts • Social Security Numident Report • Certificate of Naturalization • Hospital/medical record • Copy of Passport / Enhanced ID • Green/Permanent Resident card (I-551) 				
You cannot use a Driver's license, Social Security card, or hospital decorative birth certificate as proof documentation.				
Birth Certificates				
1. Only a parent(s), legal guardian (if the child is under 18), or the named individual (if 18 or older) may change the birth certificate.				
2. The proof(s) must match the asserted fact(s). For example, if the affidavit says the name should be Mary Ann Doe, the proof must show the name to be Mary Ann Doe.				
3. Proof documentation must be five or more years old or established within five years of birth.				
4. This affidavit cannot be used to add a parent to a birth certificate (use Acknowledgment of Parentage form DOH 422-159).				
Child under 18				
<ul style="list-style-type: none"> • If legal guardian(s), include certified court order proving guardianship. • Up to age one or up to one year following the filing of an Acknowledgment of Parentage form, last name can be changed once to either parents' name on certificate (can be any combination of the first, middle or last names); thereafter, a court order is required to change the last name. • No proof is required to change the first or middle name.* • To correct parent's information, one proof documentation is required. • To correct the sex of the child, one proof documentation from a medical provider is required. 				
Adult (18 years or older)				
<ul style="list-style-type: none"> • Only the adult can change his or her birth certificate. • If the first or middle name is missing, three pieces of proof documentation are required. • If the first, middle and/or last name is misspelled, or month and/or day of birth is incorrect, two pieces of proof documentation are required. • To correct parent's birth date, place of birth, or name, one proof documentation is required. 				
*To change any part of the name of a child using this form, signatures from both parents listed on the certificate are required. If one parent is deceased, submit a death certificate with request.				
Death Certificates				
1. Only the informant may change the non-medical information without proof documentation. The funeral director, executors/administrators, or a family member may change the non-medical information with proof documentation. Family members are spouse or registered domestic partner, parent, sibling, or adult child or stepchild. Marital status requires a certified court order if someone other than the informant is requesting the change.				
2. The medical information (cause of death) may be changed only by the certifying physician or the coroner/medical examiner.				
Marriage/Dissolution (Divorce) Certificates				
1. Personal facts (minor spelling changes in name, date or place of birth, or residence) may be changed by the person with one piece of proof documentation.				
2. To change the date or place of marriage or dissolution, the officiant (marriage) or clerk of court (dissolution) must complete and submit the affidavit.				



CERTIFIED

FEB 18 2021

Howard Leibrand

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



0 4 4 9 5 4 1 1

Certificate not valid unless the Seal of the State of Washington changes color when heat applied.

**THIRD AMENDMENT
TO THE
HARRIS FAMILY REVOCABLE LIVING TRUST**

Dated March 21, 1996

On March 21, 1996, JOHN V. HARRIS and BARBARA J. HARRIS, as Trustors, executed a certain trust agreement with JOHN V. HARRIS and BARBARA J. HARRIS as Trustees, which trust is designated as the HARRIS FAMILY REVOCABLE LIVING TRUST (hereinafter the "Trust") wherein the Trustors reserved the right at any time, or the survivor, to amend or revoke the Trust in whole or in part by instrument in writing (other than a Will) delivered to the Trustee. On December 5, 1996, the Trustors executed the First Amendment to the Trust, and on September 26, 2001, the surviving Trustor executed the Second Amendment to the Trust. As the Surviving Trustor, BARBARA J. HARRIS directs that the Trust be further amended as follows:

1. *I hereby direct that the Second Amendment to the Harris Family Revocable Living Trust dated September 26, 2001 be revoked in its entirety.*

2. *I hereby direct that Paragraph 3.2(b) under SECTION III, be deleted in its entirety and the following paragraphs be substituted in its place:*

3.2(b) Upon resignation or incapacity of the remaining original Trustee, I hereby appoint SHARON L. HARRIS to act as Successor Trustee, with full power and authority of the original Trustee until the death of the original Trustee. In the event that SHARON L. HARRIS fails or ceases to serve as Successor Trustee, I hereby appoint GARY B. HARRIS to act as Successor Trustee, with full power and authority of the original Trustee.

Upon death of the remaining original Trustee, I hereby appoint GARY B. HARRIS to act as Successor Trustee, with full power and authority of the original Trustee. In the event that GARY B. HARRIS fails or ceases to serve as Successor Trustee, I hereby appoint SHARON L. HARRIS to act as Successor Trustee, with full power and authority of the original Trustee.

3. *I hereby direct that Paragraph 4.1. under SECTION IV be deleted in its entirety and the following paragraph be substituted in its place:*

4.1. Named Beneficiaries. Beneficiaries are listed below: and the Trustee shall, after the death of the surviving Trustor, pay all outstanding debts which must be paid according to their terms, and then manage the Trust estate in the following manner:

(a) The property and improvements commonly known as 760 Ocean View Drive, Yachats, Oregon, legally described in sub-paragraph (i) below, shall be distributed outright to GARY B. HARRIS; provided, however, that if GARY B. HARRIS shall predecease me then the property and improvements commonly known as 760 Ocean View Drive, Yachats, Oregon, legally described in sub-paragraph (i) below, shall be distributed outright to EVAN T. HARRIS.

(i) Lot 6, Block 3, Ocean Crest, Lincoln County, Oregon. Records of Lincoln County, Oregon in favor of Yachats Water District for water distribution systems.

(b) Any and all bank accounts held in the Washington Federal, Inc. branch located at Walporth, Oregon shall be distributed outright to GARY B. HARRIS; provided, however, that if GARY B. HARRIS shall predecease me then any and all bank accounts held in the Washington Federal, Inc. branch located at Walporth, Oregon shall be distributed outright to EVAN T. HARRIS.

(c) The property and improvements commonly known as 25071 Minkler Road, Sedro Woolley, Washington, legally described in sub-paragraph (i) below, shall be distributed outright to GARY B. HARRIS; provided, however, that if GARY B. HARRIS shall predecease me then the property and improvements commonly known as 25071 Minkler Road, Sedro Woolley, Washington, legally described in sub-paragraph (i) below, shall be distributed outright to EVAN T. HARRIS.

(i) See legal description attached as Exhibit "A" and incorporated herein by reference.

(d) The properties and improvements commonly known as 608 State Street and 610 State Street, Sedro Woolley, Washington, legally described in sub-paragraph (i) below, shall be distributed outright to SHARON L. HARRIS; provided however, that if SHARON L. HARRIS shall predecease me then the properties and improvements commonly known as 608 State Street and 610 State Street, Sedro Woolley, Washington, legally described in sub-paragraph (i) below, shall be distributed outright to GARY B. HARRIS, if living, and if GARY B. HARRIS is not living then shall be distributed outright to EVAN T. HARRIS.

(i) See legal description attached as Exhibit "A" and incorporated herein by reference.

(e) The property and improvements commonly known as 4524 26th Ave. S.E., Lacey, Washington, legally described in sub-paragraph (i) below, shall be distributed outright, in equal shares, to GARY B. HARRIS and KIMBERLY H. deBEY, or to the survivor thereof.

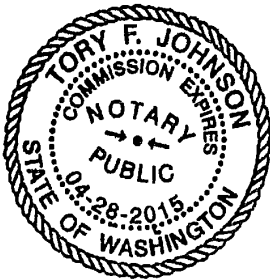
(f) Any and all of the rest of the Trust estate shall be distributed outright, in equal shares, to SHARON L. HARRIS, GARY B. HARRIS and KIMBERLY H. deBEY, or to the survivor(s) thereof.

DATED: August 23, 2013.

Barbara J. Harris
BARBARA J. HARRIS

STATE OF WASHINGTON)
)ss.
COUNTY OF WHATCOM)

DATED: August 23, 2013.



T E Sha

Name: Tory F. Johnson
 NOTARY PUBLIC in and for the State of
 Washington, residing at Whatcom County.
 My Appointment Expires: 04-28-2015.

THIRD AMENDMENT
TO LIVING TRUST - 3

EXHIBIT A

A tract of land in Lots 13 and 14, Chase Acreage, beginning at the SW corner of said Lot 14; thence North $53^{\circ}29'$ E, 45.06 feet along Southerly line of said Lot 14; thence North $11^{\circ}26'$ West, 182.7 feet intersecting the West line of said Lot 14 at a point 205.9 feet North of its SW corner, thence continuing North $11^{\circ}26'$ West to Hanson Creek, the North boundary of said Lot 13; thence Westerly and Southerly following center line of said creek to the south line of said Lot 13; thence North $53^{\circ}29'$ East 176 feet, more or less, to the SE corner of said Lot 13, the place of beginning in Section 20, Township 35 North, Range 5 E.W.M.

EXHIBIT "A"

- 1) **610 State Street, Sedro Woolley** **Parcel No. 350424-0-142-0006**

Part of the Southeast Quarter of the Southeast Quarter, Section 24, Township 35 North, Range 4 East of the Willamette Meridian, and all of Lot 7, "Plat No. 1 Sedro Home Acreage", according to the recorded plat thereof in the office of the Auditor of Skagit County, Washington, in Volume 3 of Plats, Page 39, described as follows:

Beginning at a point on the North line of State Street 245 feet East of the East line of Block 14 extended, "Junction Addition to Sedro", according to the recorded plat thereof in the office of the Auditor of Skagit County, Washington, in Volume 2 of Plats, Page 34; thence North 110 feet; thence East 90 feet; thence South 110 feet to the North line of State Street; thence West 90 feet to the place of beginning.

- 2) **608 State Street, Sedro Woolley** **Parcel No. 350424-0-086-0004**

Beginning at a point on the North line of State Street 200 feet East of the East line of Block 14 of the replat of Junction Addition to Sedro, extended; thence North parallel to Central Avenue 110 feet; thence East at right angles 45 feet; thence South at right angles 110 feet to the North line of State Street; thence West along the North line of said street to the point of beginning; being a portion of what is known as the "KELLY STRIP" and a portion of Lot 7, Plat 1, of Sedro Home Acreage, City of Sedro Woolley.

HARRIS & ASSOCIATES

EXHIBIT "A".

9804290040

BK1803PG0475

COPY

**AMENDMENT TO
THE HARRIS FAMILY REVOCABLE LIVING TRUST**

Dated: Dec 5, 1996

We do hereby make the following amendments to our revocable living trust, originally dated March 21, 1996. The changes stated below shall apply throughout the document and shall take precedence over any and all previous statements of our intentions.

Section VI of the aforementioned trust is hereby amended in its entirety to read as follows:

SECTION VI

DISPOSITION AFTER THE DEATH OF THE FIRST TRUSTOR

6.1 Division into Three Separate Trusts. Upon the death of one Trustor (the "Decedent") with the other Trustor surviving, the Trustee shall divide the trust estate into three separate trusts, which shall be: (a) the Decedent's Trust under Section 10.1, for the benefit of the surviving Trustor ("Survivor"); (b) the Marital Trust under Section 10.2 for the benefit of the Survivor; and (c) the Survivor's Trust for the Survivor's one-half interest in the community property and the Survivor's separate property. The trust estate to be divided shall include, in addition to the trust estate existing at the date of the Decedent's death, all property payable to or accruing to the trust estate as a result of a Trustor's death, whether by will, provisions of another trust, designation as the beneficiary of an insurance policy, annuity, pension or profit sharing plan, or otherwise.

6.2 Allocation to Decedent's Trust - Creation of Credit Trust. If Decedent has a remaining unified credit to apply toward estate taxes, the Trustee shall allocate to the Credit Trust first from the Decedent's separate property, and then from the Decedent's interest in community property, the pecuniary sum equal to the maximum amount by which the Decedent's federal taxable estate may be increased without causing an increase in the federal estate tax payable by reason of the Decedent's death after taking into account all credits available against such tax, provided, however, that the credit for state death taxes shall be taken into account only to the extent that it does not result in an increase in the state death taxes which would otherwise be payable. In computing the amount of this bequest, disclaimers shall not be taken into account and it shall be assumed that an election is made to qualify all qualified terminable interest property for the marital deduction regardless of what election is in fact made. In allocating property to the Credit Trust, the Trustee and the Decedent's personal representative shall first allocate to the Credit Trust any interest the Decedent may own in policies of life insurance insuring the life of the Survivor and property which does not qualify for the federal estate tax marital deduction, but such allocation shall not exceed the pecuniary amount otherwise determined under this Sub-Section.

(a) Reductions. The amount of the allocation determined in above shall be reduced by all charges to principal that are not allowed as deductions for federal estate tax purposes.

(b) Disclaimers and Additions to Credit Trust After Initial Allocation. To the extent the Survivor makes a qualified disclaimer (as defined in Section 2518 of the Code) of any portion of the trust estate under the Marital Trust, or disclaims property or interests in property passing to the Marital Trust the disclaimed portion shall be allocated to the Credit Trust even if such disclaimer results in more than the amount described in Section 6.2 passing to the Credit Trust. To the extent the Survivor also makes a qualified disclaimer of any such addition to the Credit Trust, such additionally disclaimed interest shall pass as if the Survivor had predeceased the Decedent. For example, if the Survivor disclaims property valued at \$400,000 which would otherwise be allocated to the Marital Trust, it shall instead be allocated to the Credit Trust and shall be held, administered and distributed in accordance with the terms of the Credit Trust, and the Survivor shall be a beneficiary of the Credit Trust with respect thereto. However, if the Survivor then also disclaims from the Credit Trust \$50,000 of the \$400,000 added to the Credit Trust, that \$50,000 shall instead pass as if the Survivor predeceased the Decedent.

(c) Satisfaction of Allocation and S Corporation Stock. The Trustee is authorized to satisfy the amount distributable to the Credit Trust by allocating property in cash or in kind (including undivided interests), or part in cash and part in kind, provided:

(i) Property which is not eligible for the marital deduction shall be distributed first;

(ii) Each item of property that is distributed in kind shall be valued at its fair market value on the date it is distributed; and

(iii) If at the Decedent's death, the Trust owns (directly or indirectly) an interest in stock of an S corporation (as defined in Section 1361(a) of the Code) and such stock is not otherwise specifically disposed of, and to the extent such stock is included in the Decedent's gross estate (e.g., it is part of the Decedent's interest in the Trust), all such stock shall first be allocated to the Marital Trust to the greatest extent possible, and only thereafter to the Credit Trust.

6.3 Allocation to Marital Trust. Trustee shall allocate to the Marital Trust that portion of the balance of the Decedent's interest in the trust estate which remains after giving effect to Section 6.2, that being the Decedent's remaining interest in the trust estate composed of his or her interest in community property and his or her interest in separate property.

6.4 Allocation to Survivor's Trust. Trustee shall allocate to the Survivor's Trust the Survivor's interest in the trust estate, that being the Survivor's interest in community property and the Survivor's interest in separate property. For purposes of administrative convenience, Trustee may retain the amount passing to the Survivor's Trust in the trust estate originally established hereunder by the Survivor instead of distributing it to the Survivor's Trust, in which case the remaining balance of the original Trust shall become the "Survivor's Trust," and other applicable provisions of this instrument shall apply thereto. The rights of revocation, amendment, modification or withdrawal shall continue to apply to the Survivor with respect to the Survivor's Trust.

6.5 Death of Surviving Trustor with Descendants Surviving. If both Trustors die simultaneously, the trust estate (or upon the death of the surviving Trustor, any portion of the remainder of the Credit Trust estate, the Marital Trust estate and the Survivor's Trust estate not otherwise appointed pursuant to this instrument) shall be held and administered pursuant to Section 4.1.

Section X of the aforementioned trust is hereby amended in its entirety to read as follows:

Section X CREDIT TRUST

10.1 The Trust Estate. The "trust estate" of the Credit Trust shall consist of the property (if any) received by Trustee for administration under this Section X pursuant to Section 6.2, and the proceeds, investments, and reinvestments of that property.

10.2 Beneficiaries and Purposes; Intent Re Estate Taxes. The Survivor shall be the primary beneficiary of the Credit Trust during the Survivor's lifetime, and its purposes with respect to the Survivor shall be to provide funds for the Survivor's health, maintenance, education, and support in the Survivor's accustomed manner of living, to the extent assets of the Survivor's Trust, the Marital Trust, and the Survivor's other resources are insufficient. It is the Trustors' intent that no part of the Credit Trust estate be included for federal estate tax purposes in the gross estate of the Survivor or of any other beneficiary. This instrument shall be governed and construed with such intent in mind, and any provision seemingly to the contrary shall be subordinate to such intent. Upon the death of the Survivor, the remaining corpus of the Credit Trust shall be distributed according to the terms of Section 4.1.

The section of the aforementioned trust currently numbered "Section XI" shall be renumbered as Section XIII and appended to the following amended sections XI and XII.

Section XI

MARITAL TRUST

11.1 The Marital Trust Estate and Disclaimer. The "trust estate" of the Marital Trust shall consist of the property allocated for administration under this Section XI pursuant to Section 6.3 as the Marital Trust, and the proceeds, investments, and reinvestments of that property. To the extent the Survivor makes a qualified disclaimer (within the meaning of Code Section 2518) of any interest in property of (or passing to) the Marital Trust, it shall pass in accordance with the provisions of Section 6.2(b). The Trustee shall have the power to divide the Marital Trust into two or more separate trusts which shall have the same terms and conditions as the trust from which established. A purpose for such division (but not the only purpose) may be to establish one or more trusts under the Marital Trust with a generation-skipping transfer tax ("GST-Tax") inclusion ratio(s) of zero, and the other(s) with such ratios of one (1) (or greater than zero). One or more "reverse Q-Tip" elections may be made pursuant to Section 2652(a)(3) with respect to any such trust. Elections may also be made with respect to any such trust under Code Section 2056(b)(7) ("Q-Tip election").

11.2 Beneficiary; Purposes. As long as the Survivor is living, the Survivor shall be the sole beneficiary of the Marital Trust, and its purpose shall be to provide for the Survivor's health, support, education, and maintenance in the Survivor's accustomed manner of living, to the extent the assets of the trust estate are sufficient to permit the same. It is the Trustors' intention that property passing to the Marital Trust (or any trust established thereunder) and which is included in the Decedent's gross estate, qualify for the federal estate tax marital deduction under Section 2056 of the Code, provided, however, such expression of intent shall not be construed as the requiring of the making of any particular elections under Sections 2056(b)(7) or 2056A of the Code. It is also the Trustors' intent that such portion of the Marital Trust(s) (and proceeds thereof) to which an election under Section 2056(b)(7) does not apply, not be included in the Survivor's gross estate for federal estate tax purposes. All provisions of this instrument shall be construed and applied with this intent in mind, and any conflicting provision shall be subordinate to such intent.

11.3 Distributions of Income. As long as the Survivor is living, the Trustee shall pay all income of the Marital Trust estate to the Survivor, preferably monthly, but in no event less frequently than quarterly. The income payable to the Survivor shall be computed from the date of the Decedent's death and shall continue so long as the Survivor shall live unless the Marital Trust is sooner paid out. If the Survivor's death occurs within an income paying period, the proportionate part of the total income for such final period computed to the date of the Survivor's death as well as all other income of the Marital Trust, accrued and undistributed to said date, shall nevertheless be the Survivor's property free of trust. This Section 11.3 shall apply notwithstanding any provision of this instrument seemingly to the contrary, and whether or not an election is in fact made under Sections 2056(b)(7) or 2056A of the Code.

11.4 Distributions of Principal. If at any time the described income distributions to the Survivor are inadequate for accomplishing the purposes of the Marital Trust, the Trustee may distribute principal of the Marital Trust to accomplish such purposes. In making determinations from time to time as to whether principal of the Marital Trust should be distributed to the Survivor, the Trustee shall take into account the Survivor's other resources (including but not limited to the Survivor's Trust), provided, however, to the extent reasonably practicable and otherwise authorized, principal of the Marital Trust shall be distributed to the Survivor prior to distributions of principal from the Credit Trust. Notwithstanding any provision of this instrument seemingly to the contrary, during the Survivor's lifetime, principal of the Marital Trust may not be distributed to or appointed to any person other than the Survivor.

11.5 Other Powers of Survivor. Notwithstanding any other provision seemingly to the contrary, to the extent Survivor in writing directs, Trustee shall convert underproductive or non-income-producing assets to income-producing or productive assets or make up the deficiency out of other trust assets.

11.6 Taxes and Expenses in Survivor Estate. Upon the Survivor's death, the Trustee shall pay from the Marital Trust estate that portion of the federal estate tax or similar taxes imposed under applicable law, including foreign or state estate taxes, inheritance taxes and other death taxes and duties, and any interest or penalties imposed thereon (collectively, "Estate Taxes"), on property included in the Survivor's gross estate ("Marital Property") and attributable to the Marital Trust by reason of Code Sections 2041 or 2044 (or similar law) because a marital deduction was previously

allowed. The Survivor shall have no power to allocate Estate Taxes to other than Marital Property of the Marital Trust. Any such allocation by the Survivor shall only be effective at the Survivor's death. Further, the Trustee may, in the Trustee's discretion, pay from the Marital Trust such portion of expenses of administration (including attorneys' fees, trustee's fee and personal representative's fees) as the Trustee determines advisable after consultation with the personal representative, if any, of the estate of the Survivor.

11.7 Marital Deduction Savings Clause. The Trustors intend that the Marital Trust (and any trust established thereunder) qualify for the estate tax marital deduction under Section 2056 of the Code, or as a qualified domestic trust under Section 2056A of the Code if the Survivor is not a United States citizen. In this regard, the provisions of RCW 11.108 and other applicable provisions of law shall apply, and any other provisions of this instrument shall be subordinate to that intent if they would cause property passing to the Marital Trust not to qualify for the marital deduction. In satisfying such bequests and making such allocations, property eligible for the marital deduction shall first be used. If the granting of any right, power, privilege, authority, or immunity to the Trustee (or another person) and the imposition of any duty upon the Trustee (or another person) by any provision of this instrument, or if any provision of this instrument, would disqualify any share or interest of a beneficiary hereunder from qualifying for the marital deduction provided by Section 2056 of the Code (or as a qualified domestic trust under Section 2056A of the Code), such provision shall be ineffective if and to the extent that the same, if effective, would so disqualify such share or interest. This Section 11.7 shall not be interpreted as requiring the making of an election under Section 2056(b)(7) of the Code to treat property as "qualified terminable interest property," or under Section 2056A of the Code to qualify as a "qualified domestic trust." References to property or trusts qualifying for the marital deduction shall be deemed to include property and trusts which could qualify if an election were made (whether or not in fact made) under Section 2056(b)(7) of the Code.

11.8 Underproductive Property. Subject to Section 11.5, Trustee may retain property in the Marital Trust which is or becomes unproductive or underproductive. No discretionary powers shall be exercised in any manner which would disqualify the Marital Trust for the marital deduction (or as a qualified domestic trust).

11.9 Termination and Disposition upon Survivor's Death. Subject to Section 11.3 regarding income, upon the death of the Survivor, after payment of the amounts described in Section 11.6, the Marital Trust shall terminate. The remaining Marital Trust estate, if any, shall be distributed as set forth in Section 4.1 and administered as directed therein.

SECTION 12. SURVIVOR'S TRUST

12.1 The Survivor's Trust Estate. The "trust estate" of the Survivor's Trust shall consist of the property allocated for administration under this Section 12 pursuant to Section 6.4 and the proceeds, investments, and reinvestments of that property.

12.2 Beneficiaries; Purposes. The Survivor shall be the sole beneficiary of the trust estate of the Survivor's Trust and the trust purposes shall be to provide for his or her health, support, and maintenance in reasonable comfort. Distributions shall only be made to or for the benefit of the Survivor (or to the Survivor's attorney-in-fact or guardian ("Agent")).

12.3 Distributions.

12.3.1 As Directed by Survivor. Trustee shall make such distributions of income and principal to (or for the benefit of) the Survivor as the Survivor shall direct. If the Survivor is disabled, Trustee may either continue or discontinue any distribution previously directed by Survivor.

12.3.2 In Trustee's Discretion; Upon Disability of Surviving Trustor. At any time Trustee determines it is in the best interest of Survivor, or in the event of the disability of Survivor, Trustee may make to, or for the benefit of Survivor, Survivor's children, or the issue of a deceased child of Survivor, such distributions out of the Survivor's Trust estate as Trustee shall from time to time determine are necessary to accomplish the trust purposes. Disability of Survivor shall be determined as provided in Section 3.6(a).

12.4 Taxes and Expenses in Survivor's Estate. After the death of the Survivor, Trustee shall pay, or otherwise provide for:

12.4.1 Such portion of the Death Taxes imposed by reason of the Survivor's death and as the Trustee determines advisable after consultation with the personal representative of the Survivor, if any.

12.4.2 Such portion of debts, expenses of last illness, funeral and burial, and expenses of administration (including attorneys' fees, Trustee's fees, and personal representative's fees). This authorization is subject to the Estate Tax allocations of Section 11.6 with respect to Estate Taxes imposed on property of the Marital Trust due to inclusion in the Survivor's gross estate because a marital deduction was previously allowed to the Decedent or to the Decedent's estate. Any interest or penalties attributable to estate taxes and paid by Trustee may be charged, in Trustee's discretion, to either income or principal of the trust estate or part to each.

12.5 Termination and Disposition upon Survivor's Death. Upon the death of Survivor, the Survivor's trust shall terminate. The Survivor's Trust estate remaining after payment of the amounts described in Section 12.4, if any, shall be distributed as provided in Section 4.1.

12.6 Power of Revocation. The Survivor shall have, and shall retain, the powers of revocation, withdrawal, amendment, modification, beneficiary change, and the other powers set forth in Section 2 with respect to the Survivor's Trust.

The attached amendments shall take precedence over any conflicting provisions found in the original trust document.

In all other matters, we as the Trustors of the aforementioned trust, do hereby reaffirm the terms of the trust document as previously written and amended.

Signed on this 5th day of Dec, 1996

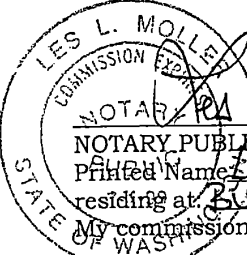
John Harris
John Harris

Barbara Harris
Barbara Harris

State of Washington)
County of SKagit)

I certify that I know or have satisfactory evidence that John Harris and Barbara Harris are the persons who appeared before me, and said persons acknowledged that they signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in the instrument.

Dated this 5th day of December, 1996.

 Les L. Moller
NOTARY PUBLIC in and for the State of Washington,
Printed Name LES L. Moller
residing at Bellingham
My commission expires: 7/1/99

**THE HARRIS FAMILY
REVOCABLE LIVING TRUST AGREEMENT**

COPY

THIS REVOCABLE TRUST AGREEMENT is made this 21st day of March, 1996, (hereinafter the "Agreement"), by and between JOHN V. HARRIS and BARBARA J. HARRIS, husband and wife, residing at Sedro Woolley, Washington, (called the "Trustors"), and JOHN V. HARRIS and BARBARA J. HARRIS jointly called the "Trustee").

**SECTION I
CREATION AND DECLARATION OF TRUST**

1.1 Declaration of Trust. We, JOHN V. HARRIS and BARBARA J. HARRIS, as Trustors, hereby declare our intent to, and do by this Agreement, create a Trust. All property which is made subject to this Trust shall be held, administered, and distributed in accordance with this Agreement.

1.2 Name of Trust. This Trust shall be called **THE HARRIS FAMILY REVOCABLE LIVING TRUST.**

**SECTION II
TRANSFERS IN TRUST**

2.1 Transfers. The Trustors hereby transfer, assign, convey, and deliver to the Trustee the property described in the Memorandum of Trust, Quitclaim Deed and Stock Power, which is the Trustors' community and separate property. The Trustee acknowledges receipt of such property. Such property hereinafter transferred to the Trustee, by Will or otherwise, and deemed acceptable by the Trustee, shall be held in Trust pursuant to the following terms and conditions.

2.2 Manner of Holding Title. Because it is the explicit and expressed intent that all property, both real and personal, now owned or to be later acquired, is and shall be part of the Trust estate, the Trustors may hold Trust property either in their individual or community names, or as Trustee of **THE HARRIS FAMILY REVOCABLE LIVING TRUST.** If any property, either real or personal, is not intended to be part of the Trust estate, such property will be listed clearly and specifically described in writing, attached to this Agreement, and signed by both Trustors before a Notary Public. All uncertainties as to whether Trustors' property is or is not a part of the Trust estate shall be construed in favor of the property being Trust property, regardless of any title designation recorded with any third party or governmental organization.

2.3 Nature of Property Remains. Transfer of separate and community property shall not change nor convert the status of said separate or community property. The Trustors' intent is, that if either choose to revoke this Trust, the separate property shall be restored to the respective Trustors as owned prior to the creation of this Trust.

(a) During the joint lives of the Trustors, they (acting together with regard to community property) or the owner of any separate property or separate property interest ("separate property") acting alone with regard to his or her respective separate property only, at any time at which they or the one of them so acting, are or is deeming to have full capacity as determined pursuant to Article

3.6 of this Agreement, expressly retain and reserve the right to alter, amend, or revoke this trust, or to demand the principal hereof, in whole or in part, at any time and from time to time, as to their community property or respective separate property. Neither Trustor may alter, amend, or revoke this trust or demand the principal hereof as to any separate property of the other Trustor.

(b) Any community property transferred to this trust by the Trustors, or any community property benefits made payable to the Trustee, is intended to, and shall, remain the Trustors' community property during the joint lives of the Trustors notwithstanding the fact that such property or such benefits are contained in this trust. Upon any termination or revocation, any community property assets distributed to the Trustors shall be their community property. The Trustors shall hold and administer all distributions of community property, or of the income attributable thereto, to either or both of them as their community property.

(c) During the joint lives of the Trustors, they, acting together, whenever they both have full capacity as defined herein, may direct by a writing delivered to the Trustee that portion of the net income and principal of the community property held in this trust (even to the extent of all thereof) which the Trustee is to pay and the manner in which the trustee is to pay such portion to, or apply it for the benefit of, the Trustors or one of them.

(d) Whenever a Trustor is deemed to have full capacity as defined herein, the Trustor owning separate property held in the trust may direct in writing that portion of the net income and principal of that separate property (even to the extent of all thereof) which the trustee is to pay and in what manner the Trustee is to pay such property to or apply it for the directing Trustor's benefit. Neither Trustor may direct the distribution of any separate property of the other or the income attributable to such separate property.

SECTION III TRUSTEE

3.1 Appointment. The Trustors hereby appoint **JOHN V. HARRIS** and **BARBARA J. HARRIS** to serve jointly as the initial Trustee, and may either act jointly or individually in the administration of this Trust, during their individual lives, so long as able, willing, and not incapacitated as defined in Section 3.6.

3.2 Succession.

(a) Upon resignation, death, or incapacity, the remaining Trustee shall act as Trustee of the Trust estate. However, in the event the Trust is split pursuant to Section VI, then another Co-Trustee, as designated in paragraph (b) below, shall join in the administration of the Decedent's Trust.

(b) Upon resignation, death, or incapacity of the remaining original Trustee, I/we hereby appoint **JAY V. HARRIS** and **GARY B. HARRIS** to act as Successor Co-Trustees, with full power and authority of the original Trustee when they act together. Other paragraphs of this agreement notwithstanding, the Successor Co-Trustees must agree on any sale of trust assets. If they are unable to agree then no sale will be possible during the period that they are serving together as Trustees.

3.3 Removal. All Successor Trustees can be removed by Court order for good cause and the new trustee shall be selected by a majority vote of the beneficiaries, with the parent or legal guardian voting for minor beneficiaries, and the issue of a predeceased beneficiary having, collectively, one vote.

3.4 Bond and Liability of Trustee. No bond shall be required of any person named in this instrument as Trustee, or of any person appointed as Trustee in the manner specified herein, for the faithful

performance of his duties as Trustee. Furthermore, any Trustee named or appointed hereunder shall be liable only for Trustee's willful breach of Trust and not for any good-faith error in judgment. A Corporate Trustee acting hereunder shall be liable and responsible only to the degree required by the laws of the State of Washington wherein it is authorized to act as Trustee. In any contract or Agreement made by Trustee on behalf of the Trust estate, such Trustee may, and is hereby authorized to, stipulate and provide against personal liability on such contracts, and the rights created under such contract or contracts shall belong to the Trust estate, and the obligations under, and by virtue of such contract or contracts, shall be obligations of the Trust estate.

3.5 Reliance On Good-Faith Actions: Liability. Every action made in good faith by Trustee in the exercise of any power, authority, judgment, or discretion conferred hereunder (including without limitation, disclaimers, releases, or elections with respect to taxes) shall be conclusive and binding upon all persons interested in the assets of any Trust established hereunder. If Trustee has special skills, he is under no extra duty to exercise those special skills unless such Trustee is a bank, corporation with Trust powers, or is named as Trustee on the basis of representations of special skills or expertise. Trustee shall not be liable for loss caused by or resulting from an error of judgment with respect to any action taken or omitted requiring the exercise of discretion, if the Trustee shall have acted in good faith, nor shall the Trustee be liable for loss caused by or resulting from any other act or omission, in the absence of bad faith. Reliance on the advice of legal counsel may be deemed an action of good faith, so long as the Trustee does not willfully participate in any fraudulent action connected with the implementation of any legal advice.

3.6 Incapacity of Trustee.

(a) A person is deemed to be "incapacitated" when two licensed physicians certify in writing that the person is incapable of managing his or her own financial affairs, because of that person's physical or mental condition or both, and two physicians shall prepare and sign written statements declaring that the person is "incapacitated," and shall promptly deliver such statements to the Trustee, or to the named Successor Trustee as the case may be. If a person's capacity has returned, then two physicians shall promptly prepare, sign, and deliver written statements to the then-acting Trustee stating that the person's capacity has returned, and such person shall then be deemed to have full capacity for the purposes of this Agreement until he or she is again determined to be incapacitated. As used in this Agreement, the term "incapacitated" shall be construed broadly and shall include (without limitation) mental or physical disability, incompetence, or senility sufficient to prevent that person's management of his or her affairs.

(b) In the event that a Trustee becomes incapacitated or disabled, the Surviving Co-Trustee, if available, or a Successor Trustee if the original Surviving Co-Trustee is not available, shall assume full responsibility and authority of a Trustee of this Trust.

3.7 Powers and Duties. Trustee shall have full power to sell, dispose of, invest, reinvest, exchange, and manage the assets of the Trust estate, and shall have all of the powers incident to Trustees as provided by Washington State law as amended from time to time, except insofar as it may be inconsistent with other express provisions of this instrument, which provisions shall control. In furtherance of these powers, and without limitation, Trustee shall have the power:

(a) To Hold Other Trusts. To hold any or all of the Trust estate of any Trust created herein in the form of investment in which received, or to invest, reinvest, sell, encumber, lease, exchange, dispose of, and manage the Trust estate in the same manner as though the absolute owner thereof, without restriction of any law pertaining to such management or investment.

(b) To Acquire. To acquire by purchase or otherwise, and to retain so long as they deem advisable, any kind of real or personal property, or undivided interests therein, including common and preferred stocks, bonds or other unsecured obligations, options, margin transactions, commodities, warrants, interests in investment trusts, and discretionary common Trust funds, all without diversification to kind or amount, without being limited to investments authorized by law for the investment of trust

funds; to hold or take title to property in the name of a nominee or in bearer form; to buy, sell, and trade in securities of any nature, including short sales and on margin; and for such purposes the Trustee may maintain and operate margin accounts with brokers, and pledge any securities held or purchased as security for loans and advances made to the Trustee.

(c) To Borrow. To borrow funds for any Trust created herein in such amounts and for such purposes as shall seem to the Trustee in the best interests of such Trust and the beneficiary thereof, and to purchase property on the credit of a Trust, and in connection with such borrowing or such purchase, to establish a credit line or credit card arrangement, to execute and deliver promissory notes or other evidences of indebtedness of that Trust, and/or to mortgage, create a security interest in, or pledge all or any part of the Trust estate of that Trust to secure payment of such indebtedness, and to repay such indebtedness out of the Trust estate of that Trust.

(d) Same Form. To hold and retain in the same form as received any and all property transferred to the Trustee for administration hereunder (and additions thereto), even though such property may not be of a nature or character authorized under the laws of the State of Washington or of any other state or jurisdiction for Trust investments, or be unsecured, unproductive, under productive, over productive, or be of a wasting nature, or be inconsistent with the usual concepts of diversification of trust assets. Solely at the risk of the Trust estate, the Trustee may continue to carry on any business in which a Trustor had an active interest at the time of either Trustor's death, incapacity, or creation of this Trust.

(e) Purchase. To purchase any property of either Trustor's probate estate, or any Trust hereunder, at fair market value at the time of purchase. Trustee may make loans or advancements, secured or unsecured, to the Personal Representative of either Trustor's probate estate or to the Trustee of any Trust established hereunder.

(f) The Trustee may waive, reduce, extend the time of payment of, or compromise claims in favor of or against this trust.

(g) The Trustee, with respect to trust property, may lease or grant options to lease, for periods to begin presently or in 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 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.

(h) Waiver of Notice. Pursuant to RCW 11.97.010 (Notice Requirements), the Trustee shall be relieved of any and all restrictions, duties, and liabilities imposed by or arising from RCW 11.100.140 (Non-routine Transactions) or any similar requirements of prior case law as specified 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 loss, damage, cause of action, or claim attributable to Trustee's failure to comply with RCW 11.100.140 or similar requirements of prior case law.

(i) Investment Advisors. Trustee may retain, in behalf of any Trust, one or more investment advisors to assist Trustee in the management of all or any portion of a Trust estate. Trustee shall not be liable for any loss caused by or resulting from any action taken or omitted in reliance on any recommendation by the investment advisor regarding the investment of Trust assets, so long as the selection of the investment advisor and the reliance on the advice was in good faith. Trustee shall not be required to follow the advice of any investment advisor.

(j) Determination of Principal and Income. Trustee shall not be required to make any adjustments in bookkeeping as between the income and principal accounts, in connection with premiums paid or discounts received on securities purchased. Trustee is authorized to credit or to charge premiums or discounts on investments, and any stock dividends, extraordinary dividends or other receipts, and any estate or inheritance or other taxes or charges, either to or against principal or income, as in Trustee's discretion shall seem just and proper under the circumstances. Any such action by the Trustee shall be binding and conclusive against all parties claiming hereunder. Income, which by exercise of Trustee's discretion is not distributed to beneficiaries, shall be added to the principal of the Trust from which it was derived, not less frequently than annually. Trustee shall not be required to establish a reserve for depreciation, and shall not treat any portion of the proceeds from a sale of underproductive property as delayed income. Except as specifically otherwise provided in this Trust, the Trustee, and any Trust established under this instrument, shall be subject to the provisions of the Washington Principal and Income Act (RCW Chapter 11.104). Any interest or penalties attributable to death taxes and paid by the Trustee may be charged, in Trustee's discretion, to either income or to principal of the Trust estate, or part to each.

(k) Annual Accounting. Trustee shall submit, no less frequently than annually, to any beneficiary entitled to current distributions of Trust income or principal, statements showing the true condition of each Trust estate of which such person is a beneficiary. In accordance with RCW 11.97.010 (Notice Requirements), the Trustee's obligation (under RCW 11.106.020, Duties of Trustees) to provide an annual accounting to any Beneficiary, other than Beneficiaries entitled to current income distributions, is waived. Trustee is relieved from all of the duties which would otherwise be placed upon Trustee by the act relating to accounting by Trustees in force in the State of Washington at the time this instrument is executed or any amendment or amendments thereto, or by any similar laws, act, or acts of the same or any other state or jurisdiction.

(l) Pooling of Trusts. Trustee need not segregate and may combine the assets of the separate Trusts established by this instrument for the purpose of administration. In the event this is done, Trustee shall maintain books of account so that the interest of each beneficiary in each Trust is readily ascertainable.

(m) Merger With Similar Trusts: Division of Trusts. If at any time there are two or more Trusts under this instrument or any other instrument which are to fulfill substantially similar purposes for the same beneficiary or beneficiaries, then any two or more of such Trusts may, in the discretion of the Trustees of such Trusts, be merged or consolidated if the probable effect of such merger or consolidation will not be to the substantial disadvantage of such beneficiary or beneficiaries. If the Trustees of such merged Trusts are not the same persons, they shall serve as Co-Trustees of the merged or consolidated Trusts, unless it is agreed by such Trustees that only one of them should serve as Trustee. Similarly, Trustee shall have the discretionary power to subdivide separate or separable shares of a single Trust into separate Trusts. These powers to combine and divide Trusts may be exercised from time to time, and may be used to modify or reverse their prior exercise. In deciding whether and how to exercise this authority, Trustee may (but need not) take into account efficiencies of administration, taxes, and any other considerations Trustee may deem appropriate to these decisions.

(n) Pour-Over of Funds. The Trustee may receive additional property to be held according to the terms of any Trust established hereunder, whether by Will, provisions of another Trust, designation as the beneficiary of an insurance policy, annuity, pension or profit-sharing plan, individual retirement account, other testamentary or inter vivos transfer, or otherwise, made in writing expressly referring to such Trust. Under no circumstances shall such transferred property be used to pay a Trustor's debts, claims outstanding at death, estate, inheritance or other taxes imposed by reason of such Trustor's death, if it is determined that death taxes would be increased or Trust assets diminished. Trustee may loan such funds for these purposes. Unless otherwise provided, property so added by reason of a Trustor's death shall be allocated among the Trusts established hereunder as if it were property passing under this instrument by reason of the death of the Trustor whose death caused such property to pass or be paid.

Unless otherwise directed, if the property is added by a Trustor other than by reason of such Trustor's death, it shall be held, administered, and distributed as if part of the Trust estate originally transferred to the Trustee by such Trustor. If the property is added to the Trust by someone other than a Trustor, or is added other than by reason of a Trustor's death, then the transferor may designate or allocate the transferred property to one or more Trusts established by this instrument; but if no specific designation is made, the Trustee shall divide the property equally among the Trusts (if more than one then is existing).

SECTION IV BENEFICIARY

4.1 Named Beneficiaries. Beneficiaries are listed below; and the Trustee shall, after the death of the surviving Trustor, pay all outstanding debts which must be paid according to their terms, and then manage the Trust estate in the following manner:

All assets shall be held in trust for the benefit of JAY HARRIS during his lifetime. After paying all taxes and necessary expenses related to repairing and maintaining the trust properties, remaining cash amounts shall pass to JAY HARRIS on a yearly basis.

When any trust asset is sold, the proceeds shall be divided one half to Jay Harris and the remaining one half to the grandchildren of the Trustors, then living, in equal shares.

If any beneficiary of this Trust is under the age of twenty-five (25), the Trustee shall, at the Trustee's sole discretion, hold such beneficiary's share in Trust under these Trust provisions herein, and distribute such amounts of that beneficiary's share for health, education and welfare as may be determined as appropriate and needed by the Trustee. Unless otherwise directed above, the remaining beneficiary's share held in Trust under this provision, shall be disbursed no later than upon said beneficiary's twenty-fifth (25th) birthday. The Trustee, in distributing the proceeds to a minor, shall comply with the provisions of the Washington State Uniform Gift To Minors Act for the benefit of such beneficiary.

If any named beneficiary fails to survive the Trustor by at least ninety (90) days, and the deceased beneficiary leaves issue surviving, then such beneficiary's share shall be distributed to the issue of the predeceased beneficiary by right of representation, subject to the other provisions of 4.1.

If all of the above-named beneficiaries fail to survive the Surviving Trustor by at least ninety (90) days, the Trustee shall distribute the entire Trust:

(a) One-half to those heirs at law of **JOHN V. HARRIS** as determined under the Washington State Law of Intestate Succession;

(b) One-half to those heirs at law of **BARBARA J. HARRIS** as determined under the Washington State Law of Intestate Succession.

4.2 Definition of Education. The term "education" shall mean elementary, high school, technical, vocational, and preparatory schooling, college, university, graduate school, and all other types of general or special educational training, including travel and recreational activities of an educational nature such as study programs, trips to foreign countries, and summer camps.

The Trustee may withhold distributions for education if, in the sole judgment of Trustee, such education is not reasonably expected to contribute to and enhance the beneficiary's ability to become and remain financially self-supporting, or if Trustee determines that the beneficiary is not making an earnest effort to take full advantage of the educational opportunities so provided.

4.3 Separate Writing. Notwithstanding anything else in this Trust to the contrary, the Trustee shall distribute as set out above, except if Trustors, either jointly during their lives, or individually as permitted by law and the provisions of this Agreement, leaves a Letter of Instruction, which Letter of Instruction is incorporated into this Trust by specific reference and shall distribute property in accordance with Section XI of the Agreement. Said Letter of Instruction must only concern personal, tangible, and non-fungible property, thus excluding real estate, securities, and cash. It is the Trustors' intent and instruction that said Letter of Instruction will concern purely personal effects. Said Letter of Instruction need only be signed by both Trustors, (or by the Surviving Trustor after the first Trustor's death,) dated, and addressed to the Trustee of **THE HARRIS FAMILY REVOCABLE LIVING TRUST**. Said signature(s) shall be duly notarized, or certified under penalty of perjury under the laws of the State of Washington that said instructions are true and correct, and the city and state where said letter was signed listed with the signature.

4.4 Disabled Beneficiary: Purposes. Notwithstanding any other provision herein to the contrary, the purpose of any Trust established hereunder with respect to any beneficiary who is handicapped or disabled shall be to provide extra and supplemental health, support, maintenance, and education in addition to and over and above the benefits such beneficiary would otherwise be entitled to receive, as a result of his or her handicap or disability, from any local, state or federal governmental department or agency or from any private agency, any of which provide services or benefits to handicapped or disabled persons. It is Trustors' express intention that distributions of the income or principal of any Trust established hereunder to any disabled or handicapped beneficiary be made at the sole and absolute discretion of Trustee for the sole purpose of providing extra and supplemental benefits to such a beneficiary; provided, however, this provision shall not apply to the income interest of the surviving Trustor's share of any Trust hereunder for which a marital deduction is allowed under Section 2056 of the Internal Revenue Code, as amended, (hereinafter, the "Code"), (or which is a Qualified Domestic Trust), in which case all income thereof is to be distributed to the survivor as provided in the Marital Trust if created pursuant to Section 9.1 (a)(2) of this Agreement.

4.5 Protection From Creditors. Except for that portion of a beneficiary's share of the Trust which would qualify for the marital deduction provided by Section 2056 of the Code, or as a qualified domestic trust under Section 2056A of the Code, and then only during the Surviving Trustor's lifetime with respect to such portion, 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. Notwithstanding the foregoing, no share or interest qualifying for the marital deduction provided under Section 2056 of the Code, or as a qualified domestic trust under Section 2056A of the Code, shall be subject to assignment, alienation, pledge, attachment, or claims of creditors.

4.6 No-Contest Clause. Trustee is hereby authorized to defend, at the expense of the Trust estate, any contest or other attack on this Trust or any of its provisions. In the event that any beneficiary under this Trust shall, independently or in conjunction with any other person or persons, contest in any Court the validity of this Trust or of a deceased Trustor's Last Will, or seeks otherwise to void, nullify, or set aside this Trust or any of its provisions or such Will or any of its portions, then the right of that person to take any interest given to him by this Trust shall be determined as it would have been determined had the person predeceased the execution of this Agreement with surviving issue.

SECTION V
DISPOSITION DURING JOINT LIVES OF TRUSTORS

During the joint lives of Trustors, Trustee shall hold and manage the Trust estate and shall dispose of the net income and principal thereof in accordance with Section 2.3 of this Agreement and as follows:

5.1 Payment of Net Income To Trustors.

(a) Trustors, acting together, whenever they both have full capacity as defined herein, may direct in writing, to deliver to the Trustee that portion of the net income and principal of the community property held in this Trust (even to the extent of all thereof) which the Trustee is to pay and the manner in which the Trustee is to pay such portion to, or apply it for the benefit of, the Trustors or one of them.

(b) Whenever a Trustor is deemed to have full capacity as defined herein the Trustor owning separate property held in the trust may direct in writing that portion of the net income and principal of that separate property (even to the extent of all thereof) that the Trustee is to pay and in what manner the Trustee is to pay such property to or apply it for the directing Trustor's benefit.

(c) The following provisions shall apply to this Section 5.1:

(1) Neither Trustor may direct the distribution of any separate property of the other or the income attributable to such separate property.

(2) Whenever one of the Trustors has been determined to be incapacitated as defined herein, the other Trustor (if he or she has full capacity) shall have the right, as agent and manager of the marital community, to direct in writing that portion of the net income and principal of the community property held in the trust (even to the extent of all thereof) which the Trustee is to pay and in what manner the Trustee is to pay such property to, or apply it for the benefit of, the Trustors or one of them.

(3) Whenever both of the Trustors are deemed to be incapacitated as defined herein, the Successor Trustee or Alternate Successor Trustee, as the case may be (i) may disregard any direction from the Trustors or either of them with regard to the disposition of the community property held in the trust, (ii) may discontinue any payments of income or principal of the community property held in the trust then being made to or on behalf of the Trustors or either of them, and (iii) is authorized during such period to distribute and shall distribute to or for the benefit of either or both of the Trustors so much of the net income and principal of the community property held in this trust (even to the extent of all thereof) as the Trustee determines for the best interests of the Trustors, including but not limited to making distributions for the Trustors comfort, support, maintenance, health, and general welfare, in accordance with the Trustors standard of living on the date of this Agreement.

(4) Whenever a Trustor is deemed to be incapacitated as defined herein, the Trustee (i) may disregard any direction given by such Trustor with regard to his or her separate property, (ii) may discontinue any payments being made of either income or principal of such Trustor's separate property, and (iii) is authorized during such period to distribute to or for the benefit of such Trustor so much of the net income and principal of such Trustor's separate property (even to the extent of all thereof) as the Trustee determines for the best interests of such Trustor, including but not limited to making distributions for such Trustor's comfort, support, maintenance, health, and welfare, in accordance with such Trustor's standard of living on the date of execution of this Agreement.

(5) In making distributions as specified above, the Trustee shall consider first the interest of the Trustors and shall disregard the interest of the remaindermen.

(6) Any income of this trust not paid to the Trustors shall be accumulated and annually added to and dealt with as principal, with appropriate segregation as the Trustors' community property or a Trustor's separate property.

5.2 Invasion of Corpus. Should the net income of the Trust estate be insufficient to provide for the care, maintenance, or support of Trustor, Trustee may, in its absolute discretion, pay to or apply for the benefit of Trustors, or either of them, such amount from the principal of the Trust estate as Trustee may, in the absolute discretion of the Trustee, deem necessary or advisable for the care, maintenance, or support of Trustors.

5.3 Gifts. All gifts to third parties shall not be made by the Trustee, but the Trustor can direct the Trustee to transfer the gift amount to the Trustor, who will, in the Trustor's discretion, make any gifts to said third parties as the Trustor may decide. All gifts made of the Trust estate will have been done according to this provision.

5.4 Accumulated Income. Any income of this trust not paid to the Trustors shall be accumulated and annually dealt with as principal, with appropriate segregation as the Trustors' community property or a Trustor's separate property.

5.5 Priority of Interests. In making distributions as specified above, the Trustee shall consider first the interests of the Trustors and shall disregard the interests of the contingent beneficiaries.

SECTION VI DISPOSITION AFTER DEATH OF FIRST TRUSTOR

On the death of either Trustor, leaving the other Trustor surviving him or her, the Trustee shall collect all insurance proceeds payable to the Trustee by reason of such death, and all bequests and devises distributable to the Trust estate under the terms of the Last Will of the deceased Trustor.

The Trustee shall, upon the sole discretion of the Trustee:

6.1 Maintain Single Trust. Continue to hold and manage the Trust estate for the benefit of the Surviving Trustor during the Trustor's life, and for the benefit of the other beneficiaries as set out in Section IV that part of the trust representing the deceased Trustor's separate property (if any) and community property share herein shall become irrevocable and shall be disposed of as provided herein with the needs of the Surviving Trustor having the highest priority - the interests of remainder beneficiaries being secondary; or

6.2 Elect To Divide the Trust Estate. Elect to divide the Trust estate into shares designated as the "Decedent's Trust" and the "Survivor's Trust". Control of the Decedent's Trust shall be exercised by the Co-Trustees, as provided by in Section X, sub-section 10.1 of this Trust Agreement; or

6.3 No Election if Separate Property: Mandatory Division. In the event the first Trustor to die owns property classified as separate property, the Surviving Trustee shall follow the provision of Article 6.2 of this Agreement and divide the trust accordingly.

SECTION VII DISPOSITION ON DEATH OF SURVIVING TRUSTOR

Upon the death of the Surviving Trustor, the Trustee shall dispose of the trust estate in accordance with the provisions set out in Section IV of this Agreement.

SECTION VIII GENERAL PROVISIONS

8.1 Revocation During Trustors' Joint Lifetimes. During the joint lifetimes of Trustors, this Agreement may be revoked in whole or in part by an instrument in writing signed by either Trustor and delivered by certified mail to Trustee and to the other Trustor. On revocation, Trustee shall, within ten (10) days, deliver to Trustors all or the designated portion of the Trust estate, which shall continue to be the community and separate property of Trustors as the property was prior to the creation of this Trust. If this Agreement is revoked with respect to all or major portion of the property subject hereto, Trustee shall be entitled to retain sufficient property reasonably necessary to secure payment of liabilities lawfully incurred by Trustee in administering the Trust, unless Trustors shall indemnify Trustee against all loss or expense.

8.2 Amendment During Trustors' Joint Lifetimes. Trustors may, at any time during their joint lifetimes, amend any of the terms of this Agreement by an instrument in writing, signed and notarized by both Trustors, and delivered by certified mail to Trustee. No amendment shall substantially increase the duties or liabilities of Trustee or change Trustee's compensation without Trustee's consent, nor shall Trustee be obligated to act under such an amendment unless Trustee accepts it. If Trustee is removed, Trustors shall pay to Trustee any sums due and shall indemnify Trustee against liability lawfully incurred by Trustee in the administration of the Trusts.

8.3 Revocation and Amendment After Death of First Trustor To Die. After the death of the first Trustor to die, the Surviving Trustor shall continue to have the same rights to alter, revoke, or amend this trust or the Survivor's Trust stipulated in Article 6.2 of this Agreement, but only as to that part of the trust representing the Surviving Trustor's separate property (if any) and community property share as he or she had hereunder before the deceased Trustor's death. That part of the trust representing the deceased Trustor's separate property (if any) and community property share herein shall become irrevocable and shall be disposed of as provided herein.

8.4 Catastrophic Health-Care Provision.

(a) In the event one of the Trustors should suffer from an illness, the nature of which may require prolonged or extensive medical care, the expenses of which could serve to ultimately deplete the Trust estate, the Trustee may, at his or her sole discretion, divide the Trust assets into two separate funds, known as Fund A and Fund B.

(b) Fund A shall be considered to be the separate property of the well spouse, while Fund B shall become irrevocable and shall be considered to be the separate property of the ill spouse. Property allocated to either fund may be any asset or portion thereof which the Trustee may, at his or her sole discretion, deem advisable to create equal shares, or as equal shares as is possible considering the nature of the assets so assigned.

(c) Any or all of Fund B may be depleted by the Trustee for the care, maintenance, and well-being of the ill spouse. The Trustee shall have the power to pledge, hypothecate, assign, sell (etc.) any or all of Fund B for the above-mentioned purposes, thereby isolating Fund A from the creditors of the ill spouse.

8.5 Prevention of Perpetuities. Notwithstanding any term or provision in this instrument seemingly to the contrary, each Trust established hereunder which has not terminated at some earlier date shall, in any event, terminate one day earlier than 21 years after the death of the survivor of all those among the individual beneficiaries thereof who are living on the date of Surviving Trustor's death, and Trustee shall thereupon distribute all remaining assets of each Trust to the beneficiary or beneficiaries in accordance with their interests at that time.

8.6 Simultaneous Death. Should either Trustor die within one hundred twenty (120) hours of the other, each will be deemed to have predeceased the other, and, thus, the Trustee shall dispose of the Trust estate accordingly.

8.7 Probate Estate. In the unlikely event that a probate proceeding is commenced for either or both Trustors, the Trustee shall take such actions to coordinate between the Trust administration and said probate proceedings, including those actions designed to prevent duplicate cash gifts, and shall be guided and authorized to take such actions which minimize the taxes and expenses assessed against the Trust and probate estates, realizing that the preservation of the Trust estate for the beneficiaries' prompt use and enjoyment is paramount.

8.8 Severability. The remaining provisions of this Trust shall continue to be fully effective even if a particular provision proves to be or becomes invalid or unenforceable.

8.9 Interpretation and Governing Law.

(A) Where context and circumstances require, the gender of all words used in this instrument shall include the masculine, feminine and neuter, and the singular of all words shall include the plural and the plural the singular. Similarly, the term "Trustor" shall be defined and used interchangeable with the term "Grantor" to meet the intent and purpose of this Trust, including elections and applications for tax minimization.

(B) The situs and place of administration ("situs") of any trust created under this Declaration of 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 the instrument at either Trustor's death, or the domicile or residence of any Trustee or beneficiary.

(C) Washington law shall govern the execution and construction of this Declaration of Trust. The administration of any trust, however, shall, unless otherwise required by law, be governed first by the provisions of this Declaration of Trust, including any laws incorporated in this Declaration of Trust, and second, to the extent consistent with such provisions, the laws of the trust's situs. To the extent permitted by law, each trust and Trustee shall be exempt from all registration requirements.

8.10 Captions. The captions are inserted for convenience only. They are not a part of this instrument and do not limit the scope of the section to which each refers.

SECTION IX
TAXES

9.1 Taxes.

(a) Allocation of Death Taxes. All estate, inheritance, and other death taxes (excluding the excise tax imposed under Section 4980A(d) of the Code) or duties including interest or penalties thereon, imposed by reason of a Trustor's death (collectively, "Death Taxes"), and whether or not the same would be payable by Trustor's estate, shall be paid and discharged by the Trustor's Personal Representative as appointed under the Trustors' individual Pour-Over Wills in the following order and manner:

1) First, the death taxes solely attributable to a disclaimer of property shall be paid out of such disclaimed property, whether or not such disclaimed property passes under this instrument. This shall include any generation-skipping transfer taxes arising because of such disclaimer.

2) Second, at the Decedent's death, firstly from the property passing to any Marital Trust, created pursuant to Section X of this Agreement from the portion of the balance of the Decedent's interest in the trust estate which remains after giving effect to the establishment of any Credit Trust, established from an amount of property from the Decedent's one-half interest in the community property of the trust estate (and if insufficient, from the Decedent's separate property of the trust estate) equal to the minimum otherwise unused pecuniary amount necessary to exhaust the maximum unified credit and state death tax credit against federal estate taxes as provided by Sections 2010 and 2011 of the Code, provided however, such pecuniary amount shall be limited so as not to increase the federal estate tax otherwise payable due to Decedent's death, which does not qualify for the marital deduction or for the charitable deduction under Section 2056 or Section 2055 of the Code (or property comprising a qualified domestic trust), and then from property passing to the Credit Trust, if so elected.

3) Third, at the Surviving Trustor's death, with respect to property includable in the Surviving Trustor's estate under Section 2044 of the Code.

4) Fourth, the balances of any death taxes attributable to Surviving Trustor's death, from the Surviving Trustor's Trust.

5) Fifth, to the extent death taxes are attributable to property not passing or not deemed to be passing under this Trust ("Non-Trust Property"), such death taxes shall be allocated and recovered by the deceased Trustor's Personal Representative or the Trustee from the recipients of such Non-Trust Property in the manner and in the amount as would be apportioned to such property under RCW 83.110.

6) Sixth, the excise tax imposed under Section 4980A(d) of the Code shall be allocated and apportioned as provided in RCW 83.110.

(b) Probate Property. For purposes of this Trust regarding taxes, property passing to the Trust estate under a Trustor's Last Will by reason of such Trustor's death shall be deemed to be passing under this Trust.

(c) Tax Elections. Except as otherwise provided herein, the Fiduciary is authorized to exercise all election with respect to taxes or the deductibility of items for any tax purpose, including generation-skipping transfer tax purposes, in accordance with what the Fiduciary, in the Fiduciary's sole discretion, believes to be consistent with a Trustor's intentions and in the best interests of Trustor's estate. Trustors hereby relieve Fiduciary of any duty to make adjustments to the shares or interests of any person who may be adversely affected by any such elections.

(d) Distribution Valuation Dates For Tax Purposes. Notwithstanding any other provision of this instrument to the contrary, any asset distributed in kind by Trustee, in or toward satisfaction of any pecuniary bequest under this instrument, shall be valued for such purposes at its net fair market value on the date of its distribution. The words used to describe such pecuniary amount shall not be construed as requiring any particular exercise of tax elections, and such amount shall be determined after giving effect to the exercise of such elections. Trustee may defer payment of any tax to the full extent allowed by law.

(e) Generation-Skipping Transfer Taxes. With respect to the generation-skipping transfer tax imposed by Chapter 13 of the Code, and any similar tax imposed by applicable state, foreign, or local law, and interest or penalties thereon (collectively, "Generation-Skipping Tax"), the following shall apply:

1) Burden of Generation-Skipping Tax. Generation-Skipping Tax, unless otherwise directed by the governing instrument, shall be charged to the property constituting a generation-skipping transfer of property ("Generation-Skipping Transfer").

2) Generation-Skipping Tax Elections and Trustee Division. By way of addition and not by way of limitation, the Fiduciary shall have the power, except as Trustor has otherwise directed, exercisable without Court approval, to allocate any federal, state, or other exemption or exclusion from the applicable Generation-Skipping Tax to any property with respect to which the Trustor is transferor (or so deemed) for purposes of such tax and to exclude any such property from such allocation.

(f) United States Treasury Bonds. Any United States Treasury bonds which may be redeemed at par in payment of federal estate tax and which are part of the Trust estate shall be used to pay that tax to the extent available.

(g) Non-Deductible Administration Expenses. Expenses of administration of a deceased Trustor's estate which are not deducted for estate tax purposes under Code Section 2053 may, at Trustee's sole and absolute discretion, be charged against income, but this power may not be used to reduce the income required to be distributed to the Surviving Trustor of any Trust qualifying for the marital deduction under Code Section 2056 or which is a qualified domestic trust.

SECTION X SEPARATE TRUST ELECTION

If the Trustee elects or is required to divide the Trust estate into two separate Trusts, the "Decedent's Trust" and the "Survivor's Trust", the Trustee shall divide the Trust to minimize the estate and gift tax liability.

10.1 The "Decedent's Trust". The principal of the Trust estate for the Decedent's Trust shall consist of assets equal in value to the maximum amount, if any, that can pass free of federal estate tax by reason of the unified credit available to the estate of the Trustor, after considering any adjusted taxable gifts and bequests by Will or other disposition which do not qualify for the marital deduction made by the Trustor, and all charges to the principal of the estate which are not deducted in computation of the federal estate tax of the estate of the first Trustor to die; provided however, that the allocation to the Decedent's Trust shall be satisfied with assets valued as of the date of allocation or distribution; provided further that any assets in the Trust estate which do not qualify for the federal estate tax marital deduction shall be first used to satisfy the allocation to the Decedent's Trust.

(a) Co-Trustee's Duties: During the lifetime of the Surviving Trustor, the Co-Trustees shall hold and administer the Decedent's Trust, and thereafter distribution shall be made thereof under the terms and conditions as follows:

- 1) Mandatory Payment of Income: The Co-Trustees shall pay to or apply for the benefit of the Surviving Trustor the net income of the Decedent's Trust quarterly, or at more frequent intervals.
- 2) Discretionary Payments of Principal: In addition, the Co-Trustees shall pay to or apply for the benefit of the Surviving Trustor, from time to time, as much of the principal of the Decedent's Trust as the Co-Trustees deem reasonably necessary for the property, health, education, maintenance, and support of the Surviving Trustor from his or her accustomed manner of living. To the extent practicable, all discretionary invasions of principal for the benefit of the Surviving Trustor shall be made from the Decedent's Trust.
- 3) Limited Withdrawal Power: In addition to other payments that the Surviving Trustor may receive or be entitled to receive under this Agreement, the Co-Trustees shall pay to the Surviving Trustor from the principal of the Decedent's Trust such amounts as the Surviving Trustor may request from time to time in writing, not exceeding in any calendar year the greater of the following amounts: five thousand dollars (\$5,000) or five percent (5%) of the value of the principal of the Decedent's Trust determined at the end of the calendar year. This right of withdrawal is non-cumulative, so that if the Trustor's wife or husband does not withdraw during a calendar year the full amount she or he is entitled to receive under this provision, then her or his right to withdraw the amount not withdrawn shall lapse at the end of the calendar year.
- 4) Default Provision: Any of the Decedent's Trust not effectively withdrawn by the Surviving Trustor, shall be held, administered, and distributed by the remaining Co-Trustee in accordance with the provisions set forth for the Trustor's beneficiaries in this Trust Agreement.

(b) Limitation On Trustee's Investment Powers: Notwithstanding the provisions of this Trust Agreement regarding Trustee's powers:

- 1) The Trustor, by written instrument delivered to the Trustee, may require the Trustee of the Decedent's Trust to dispose of unproductive property, or direct the Trustee to convert unproductive property to productive property.
- 2) The Trustee shall invest and reinvest the assets of the Decedent's Trust in such manner that the aggregate return of all investments of the Trusts shall be reasonable in light of then-existing circumstances.

10.2 The "Survivor's Trust". The principal or Trust Estate of the Survivor's Trust shall consist of all the interest in each and every asset held by the Trustee to be held pursuant to this Trust on or by reason of the death of the deceased Trustor, not allocated to the principal or Trust Estate of the Decedent's Trust pursuant to Section 10.1 of this Trust. The Survivor's Trust may additionally be divided into two or more fractional shares, to be administered as separate Trusts, known as a Generation-Skipping Trust or a "GST Trust" or a "QTIP Trust." If the Surviving Trustor is not a U.S. citizen, then the Survivor's Trust shall be in conformance with, generally, Section 2056A of the Code, and meet the requirements of a Qualified Domestic Trust.

(a) Division of the Survivor's Trust Into Separate Shares. If the Surviving Trustor elects to qualify a portion of the Survivor's Trust for the marital deduction for federal estate tax purposes under Section 2056(b) (7) of the Code, or if Trustor's generation-skipping tax (GST) exemption available under Section 2631(a) of the Code is allocated to a portion of the Survivor's Trust, then the Trustee shall divide the Survivor's Trust into separate fractional shares corresponding to the portions qualifying for the deduction and/or to which the exemption was allocated. The Trustee shall hold the shares as separate Trusts, to be referred to collectively as the Survivor's Trust, and administered and distributed under identical terms, except as follows:

1) Trustee shall pay all additional transfer taxes, payable to or for Trustor's Personal Representative as a result of Trustor's Personal Representative's election not to qualify all of the Survivor's Trust for the marital deduction, out of the share or shares not so qualified;

2) Trustee shall make any discretionary distribution of principal to the Surviving Trustor, which is otherwise authorized to be paid from the Survivor's Trust, to the extent funds are available, in the following priority: first, from any share qualified for the marital deduction to which no GST exemption deduction was allocated; second, from any share qualified for the marital deduction to which a GST exemption was allocated; third, from any share not qualified for the marital deduction to which no GST exemption was allocated; and last, from any share not qualified for the marital deduction to which a GST exemption was allocated.

3) On the death of a Trustor's husband or wife, the Surviving Trustor shall make no distributions to or for the Personal Representative of his or her estate from any share not qualified for the marital deduction, and shall make any such distributions first from any share to which no GST exemption was allocated.

(b) Provisions of the Survivor's Trusts. At the option of the Surviving Trustor, the marital deduction share shall be divided into two surviving Trusts: the Exempt Survivor's Trust and the Non-Exempt Survivor's Trust. The Exempt Survivor's Trust shall consist of an amount equal to the Trustor's generation-skipping tax (GST) exemption, reduced by the aggregate amount of the Trustor's GST exemption that has been allocated (by the Trustor or by the Executor of the Trustor's Will) to other transfers of property by the Trustor during his or her lifetime or as a result of the Trustor's death. The Non-Exempt Survivor's Trust shall consist of the balance of the marital deduction share.

(c) Distributions From Survivor's Trust.

1) Income. The Trustee shall pay to or apply for the benefit of the Surviving Trustor all income of the Survivor's Trust in quarterly or more frequent installments.

2) Principal. If the Trustee considers such income insufficient, the Trustee shall also pay to or apply for the benefit of the Surviving Trustor such sums out of the principal of the Survivor's Trust as the Trustee, in the Trustee's discretion, shall consider necessary for the Surviving Trustor's health, support, general welfare, and education.

3) Right of Withdrawal. In addition, the Trustee shall pay the Surviving Spouse as much of the principal of the Survivor's Trust as he or she shall request in writing.

SECTION XI SPECIFIC DISTRIBUTIONS

Notwithstanding anything else in this Agreement to the contrary, the Trustee shall distribute to the surviving spouse upon the death of the deceased spouse all right, title, and interest in the deceased spouse's clothing, jewelry, personal effects, household furniture and furnishings, silver, linens, china, glassware, objects of art, books, sporting equipment, automobiles, mobile homes, recreational vehicles and all other household goods and purely personal effects, except to the extent that the deceased spouse leaves a Letter of Instruction, which Letter of Instruction is incorporated in his Agreement by this specific reference. Likewise, upon the death of the surviving spouse, the Trustee shall distribute the above-mentioned items in accordance with any Letter of Instruction that the surviving spouse may leave which Letter of Instruction is incorporated in this Agreement by this specific reference.

