

REVOCABLE LIVING TRUST

THIS DECLARATION OF TRUST, made and entered into on the date set forth on the signature page hereto by and between GLEN A. TAYLOR and his wife, MARY F. TAYLOR, both of San Mateo County, State of California, hereinafter referred to individually as the "husband" and the "wife", respectively, and referred to jointly as the "Trustors", and GLEN A. TAYLOR and MARY F. TAYLOR of San Mateo County, California, hereinafter referred to as the "Trustees".

W I T N E S S E T H

ARTICLE I: TRUST PROPERTY

- A. The Trustors do hereby deliver and transfer to the Trustee the property described in Schedule A (community property of husband and wife) and Schedule B (separate property of husband, if any) and Schedule C (separate property of wife, if any) attached hereto and made a part hereof, which shall constitute the initial Trust Estate and shall be held, administered and distributed by the Trustee as hereinafter set forth.
- B. Any property described and set forth on Schedule A, attached hereto, which is the community property of husband and wife, shall be and shall remain the community property of husband and wife, and it is the intention of the Trustors that all such property and all additions to the Trust of community property of husband and wife shall be held by the Trustee as the community property of husband and wife under the community property laws of the State of California. No provision or provisions of this agreement shall change the character of such property or the rents, issues and profits thereof to other than the community property of husband and wife

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except for the provisions of Article XIV hereafter.

- C. Any property described and set forth on Schedule B, attached hereto, which is the separate property of the husband, shall be and shall remain the separate property of the husband, and it is his and their intention that all such property and all additions to the Trust of separate property of the husband shall be held by the Trustee as the separate property of the husband under the laws of the State of California. No provision or provisions of this agreement shall change the character of such property or the rents, issues and profits thereof to other than the separate property of the husband.
- D. Any property described and set forth on Schedule C, attached hereto, which is the separate property of the wife, shall be and shall remain the separate property of the wife, and it is her and their intention that all such property and all additions to the Trust of separate property of the wife shall be held by the Trustee as the separate property of the wife under the laws of the State of California. No provision or provisions of this agreement shall change the character of such property or the rents, issues and profits thereof to other than the separate property of the wife.
- E. That no consideration was or will be given by the Trustee for the conveyance or transfer to it of any of the Trust Estate; that the Trustee accepts such title to the Trust Estate as is conveyed or transferred to it hereunder, without liability or responsibility for the conditions or validity of such title; and that the Trust Estate has been or will be conveyed or transferred to the Trustee, in Trust, with power of sale, for the uses and purposes and upon the terms herein provided.
- F. Husband and/or wife or any individual may add to this Trust, with the

consent of the Trustee, whether before or after the death of either of the Trustors, by transferring to the Trustee other property acceptable to the Trustee, either by gift, assignment, bequest, or devise, and if so added, such property, upon receipt and acceptance by the Trustee, shall become a part of the Trust Estate. Such additional property or properties shall be described and set forth on schedules attached hereto and identified as community property of the husband and wife or the separate property of either. Such additional property or properties shall be held, administered, and disposed of by the Trustee in accordance with the provisions of this agreement without the execution of any further instrument or declaration.

G. During the joint lifetimes of the Trustors, the right and power is hereby reserved to the Trustors jointly or individually in the case of community property, to the Trustor individually in the case of his or her separate property, to alter, amend, or revoke this agreement, in whole or in part (but in the case of separate property only so as to affect the distribution of the separate property of the Trustor so altering, amending or revoking), at any time or from time to time by instrument in writing delivered to the Trustee, provided, however, that the duties, powers and responsibilities of the Trustee shall not be substantially altered or amended without his written consent. In the case of revocation, any property held hereunder, or that part thereof as to which this agreement may be revoked, shall be delivered by the Trustee to the revoking Trustor or Trustors.

H. While both Trustors are living and competent, the Trustors may jointly or individually insofar as community property is concerned, and individually insofar as a Trustor's separate property is concerned, at any time or

times, direct the Trustee in writing to retain as part of the Trust Estate any securities, properties, or investments at any time held hereunder, for such length of time as such directions may provide; or to sell, encumber, lease, manage, control or dispose of any property of the Trust Estate; or to invest available income or principal in specific securities, properties or investments. The Trustee shall not be liable for any loss sustained or incurred by reason of its compliance with any such written directions of the Trustor or Trustors.

ARTICLE II: DISPOSITIVE PROVISIONS

- A. The Trustee shall pay or reserve sufficient funds to pay all expenses of management and administration of the Trust Estate, including the compensation of the Trustee, and payments of interest and principal on any promissory notes executed by the Trustors or Trustee secured by any Deed of Trust on any real estate which may be part of the Trust Estate, which may, in the discretion of the Trustee, be charged either to income or principal of the Trust Estate.
- B. The remaining income shall be and is hereinafter referred to as "net income".
- C. During the joint lives of the Trustors, the Trustee shall pay to them or apply for their benefit the entire net income and so much of the principal of community property, including the whole thereof, as the Trustors, jointly at any time or from time to time shall direct in writing and so much of the principal of separate property, including the whole thereof, as the Trustor who transferred such separate property hereto at any time or from time to time shall direct in writing.
- D. Any payment of income and/or principal to the Trustors or to a Trustor, as

the case may be, shall retain the same community property or separate property status in their or his or her hands, as the case may be, as such income or principal payment(s) had while held in the Trust or Trusts created by this agreement.

E. Upon the death of either of the Trustors:

1. The Trustee may pay the expenses of the Trustor's last illness and funeral from either income or principal of the Trust Estate unless other adequate provision shall have been made therefor.

2. After payment of any expenses specified in Paragraph E, subparagraph 1 of Article II of this Declaration, the balance shall be distributed as follows:

(a) On the death of GLEN A. TAYLOR, his interest in the Trust Estate shall be distributed as follows:

(1) His separate property shall be distributed in equal shares to KERN M. TAYLOR, TARA C. TAYLOR, CLAYTON P. TAYLOR and VENA D. TAYLOR (children of GLEN A. TAYLOR from a previous marriage), or if a beneficiary is deceased, to the issue by right of representation of the deceased beneficiary. If a named beneficiary fails to survive the Trustor and leaves no issue, then the interest of the deceased beneficiary shall be distributed in equal shares to the other named beneficiaries.

(2) His community property shall remain in trust for the benefit of MARY F. TAYLOR. She shall be entitled to all the income and principal from said assets. She may amend or revoke the trust regarding any distribution of said assets. Upon her death any of said assets remaining in the trust shall be distributed pursuant to subparagraph (c) hereinafter.

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(b) On the death of MARY F. TAYLOR, her interest in the Trust Estate shall be distributed as follows:

(1) Her separate property shall be distributed in equal shares to KENNETH P. WILKES, THOMAS B. WILKES and KIMBERLY A. WILKES (children of MARY F. TAYLOR from a previous marriage), or if a beneficiary is deceased, to the issue by right of representation of the deceased beneficiary. If a named beneficiary fails to survive the Trustor and leaves no issue, then the interest of the deceased beneficiary shall be distributed in equal shares to the other named beneficiaries.

(2) Her community property shall remain in trust for the benefit of GLEN A. TAYLOR. He shall be entitled to all the income and principal from said assets. He may amend or revoke the trust regarding any distribution of said assets. Upon his death any of said assets remaining in the trust shall be distributed pursuant to subparagraph (c) hereinafter.

(c) On the death of the second Trustor, after the aforementioned specific bequests have been made, any remaining assets shall be distributed in equal shares to KERN M. TAYLOR, TARA C. TAYLOR, CLAYTON P. TAYLOR, VENA D. TAYLOR, KENNETH P. WILKES, THOMAS B. WILKES and KIMBERLY A. WILKES, or if a beneficiary is deceased, to the issue by right of representation of the deceased beneficiary. If a named beneficiary fails to survive both Trustors and leaves no issue, then the interest of the deceased beneficiary shall be distributed in equal shares to the other named beneficiaries.

3. If any person entitled to outright distribution under Paragraph E, subparagraph 2 of Article II of this Declaration of Trust or a portion

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of a Trust is under age twenty-one (21), the Trustee shall hold and administer the minor's portion of the Trust Estate for the minor's benefit. Income of the minor's portion shall be added to principal and the Trustee shall pay to or apply for the benefit of the minor as much of the minor's Trust as the Trustee in the Trustee's discretion considers necessary for the minor's proper health, education, support and maintenance. When the minor attains the age of twenty-one (21), the Trustee shall distribute to the minor his or her entire share of the Trust Estate. If a minor dies before becoming entitled to receive distribution of his entire Trust, the undistributed balance of the minor's Trust, including undistributed or accrued income shall be distributed outright to the minor's then living issue by right of representation. If a person entitled to distribution has a Trust being administered under this instrument for his benefit, his share shall not be distributed outright but shall be added to that Trust and administered according to its terms. Any addition to a partially distributed Trust shall augment proportionately the distributed and undistributed portions of the Trust.

4. The Trustee shall:

- (a) Pay any estate tax imposed because of the death of the Trustor against or by reason of any asset or assets of the Trust Estate from the principal of the Trust Estate and charge such payment equally against the interests of all beneficiaries of this Trust to the extent no specific deduction or exemption was claimed for any such interest of any beneficiary in computing the amount of such estate tax. Should any such estate tax be imposed partly because of the assets of the Trust Estate and partly because of

other property, the Trustee shall so pay from the principal of the Trust Estate only such proportion of the estate tax as the total value of the assets of the Trust Estate giving rise to the tax bears to the total value of all property giving rise to the tax.

(b) Pay any inheritance tax imposed because of the death of the Trustor against or by reason of the interest of any beneficiary in this Trust from the principal of the Trust Estate and charge such payment against the interest in this Trust of the beneficiary whose interest gave rise to such tax. (Should any inheritance tax be imposed because of the death of the Trustor on any beneficiary of this Trust partly because of such beneficiary's interest in this Trust and partly because of other property transferred or passing to such beneficiary, the Trustee may pay from the principal of the Trust Estate and charge against such beneficiary's interest in the Trust so much of such tax, up to the whole thereof, as shall not exceed the value for the purposes of inheritance taxes caused by the Trustor's death of such beneficiary's interest in this Trust.)

5. If at any time before full distribution of the Trust Estate the Trustors and all Trustors' beneficiaries are deceased and no other disposition of the property is directed by this instrument, the remaining portion of the Trust shall then be distributed to the legal heirs of the Trustor, the identity and respective shares of those heirs to be determined in all respects as though the death of the Trustor had occurred immediately following the event requiring distribution, and shall be determined according to the laws of succession of the State of California then in force.

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ARTICLE III: POWERS OF TRUSTEE

In order to carry out the provisions of the Trusts created by this instrument, the Trustee shall have these powers in addition to those now or hereafter conferred by law:

1. To hold and continue to hold as an investment the property received hereunder, and any additional property which may be received by it, so long as it deems proper, and to invest and reinvest in any securities or property, deemed by it to be for the best interest of the Trusts and the beneficiaries hereunder, without being limited to Trust or chancery investment provided by law, and notwithstanding that the same may constitute leaseholds, royalty interests, patents, interest in mines, oil and gas wells, or timberlands, or other wasting assets, and without any responsibility for any depreciation or loss by or on account of such investments.
2. To rent or lease any property of the Trusts for such time and upon such terms and for such price or prices as in its discretion and judgment may seem just and proper and for the best interest of the Trusts and the beneficiaries hereunder, irrespective of the provisions of any statute.
3. To sell and convey any of the property of the Trusts or any interest therein, or to exchange the same for other property, for such price or prices and upon such terms as in its discretion and judgment may be deemed for the best interest of the Trusts and the beneficiaries hereunder, and to execute and deliver any deed (with or without warranty), receipts, releases, contracts, or other instruments necessary in connection therewith.
4. To make all repairs and improvements at any time deemed necessary and

proper to and upon real property constituting a part of the Trusts, and to build, construct, and complete any building or buildings upon such property which in its discretion and judgment may be deemed advisable and proper and for the best interests of the Trusts and the beneficiaries hereunder, and to determine the extent to which the cost of such repairs and improvements shall be apportioned as between principal and income.

5. To deduct, retain, expend, and pay out of any money belonging to the Trusts any and all necessary and proper expenses in connection with the operation and conduct of the Trusts, and to pay all taxes, insurance premiums, and other legal assessments, debts, claims or charges which at any time may be due and owing by, or which may exist against, the Trusts.
6. To vote upon all securities belonging to the Trusts, and to become a party to any stockholders' agreements deemed advisable by it in connection with such securities.
7. To consent to the reorganization, consolidation, merger, liquidation, readjustment of or other change in any corporation, company or association, or to the sale, mortgage, or lease of the property thereof or any part thereof, any of the securities or other property of which may at the time be held by it hereunder, and to do any act or exercise any power with reference thereto that may be legally exercised by any person owning similar property in his own right, including the exercise of conversion, subscription, purchase, or other options, the deposit, surrender, or exchange of securities, the entrance into voting Trusts, and the making of agreements or subscriptions which it may deem necessary or advisable in connection therewith, all without applying to any court for permission so to do, and to hold and redeem or sell or otherwise dispose of any securities or other property which it may so acquire.

8. To compromise, settle, arbitrate, or defend any claim or demand in favor of or against the Trusts; to enforce any bonds, mortgages, or other obligations or liens held hereunder; and to enter upon such contracts and agreements and to make such compromise or settlements of debts, claims or controversies as it may deem necessary or advisable.
9. To incur and pay the ordinary and necessary expenses of administration, including (but not by way of limitation) reasonable attorneys' fees, Trustees' fees, accountants' fees, investment counsel fees and the like.
10. To act hereunder through an agent or attorney-in-fact by and under power of attorney duly executed by the Trustee, in carrying out any of the powers and duties hereunder authorized.
11. To borrow money for any purposes of the Trusts, or incidental to the administration thereof, upon its bond or promissory note as Trustee, and to secure the repayment thereof by mortgaging or pledging or otherwise encumbering any part of or all of the property of the Trust, and, with respect to the purchase of any property, as part of the consideration given therefor, to assume a liability of the transferor or to acquire such property subject to a liability.
12. To lend money to any person or persons upon such terms and in such ways and with such security as it may deem advisable for the best interest of the Trusts and the beneficiaries hereunder.
13. To engage in business with the property of the Trust as sole proprietor, or as a general or limited partner, with all the powers customarily exercised by an individual to engage in business, and to hold an undivided interest in any property as tenant in common or as tenant in partnership. Also to engage in business with the property of the Trusts in corporate form or by incorporation.

14. To determine the manner in which the expenses incidental to or in connection with the administration of the Trusts shall be apportioned as between principal and income.
15. To make any division or distribution required under the terms of this Trust in kind or in money, or partly in money, and to that end to allot to the Trust such stock, securities, or other property, real or personal, as to it seems proper in its absolute discretion, and its judgment as to the value of such stock, securities, or other property so allocated shall be conclusive on all parties. The Trustee shall not be required to make physical division of the funds, except when necessary for distribution of principal or income, but may, in its discretion, keep the principal of the Trusts in one or more consolidated funds in which the separate Trusts have undivided interests. The Trustee shall not be required to make any provision on account of the diminution or increase in values of any securities or investments at any time constituting a part of the Trust herein created, or for depreciation in respect of any tangible property, or for the purpose of amortizing or making good any amounts paid in premiums on the purchase of securities or of any other property.
16. Upon any division or partial or final distribution of the Trust Estate, to partition, allot and distribute the Trust Estate in undivided interests or in kind, or partly in money and partly in kind, at valuations determined by the Trustee, and to sell such property as the Trustee may deem necessary to make division or distribution.
17. The powers herein granted to the Trustee may be exercised in whole or in part, from time to time, and shall be deemed to be supplementary to and not exclusive of the general powers of Trustee pursuant to law, and shall include all powers necessary to carry the same into effect.

18. The Trustee(s) shall have the power to encumber any of the property of the trust by executing a deed of trust, mortgage, pledge or otherwise, to secure the indebtedness and/or obligation of any third party.
19. The Trustee(s) shall have the power to guarantee the indebtedness and/or obligation of any third party and to secure such guarantee by a deed of trust, mortgage, pledge or otherwise.

ARTICLE IV: SUCCESSOR TRUSTEE

- A. In the event either named Trustee fails to become or at any time ceases to be a Trustee (as evidenced by an opinion letter from his or her doctor), the other of said named persons shall act as sole Trustee. If either Trustee objects in writing to being removed as a Trustee then the objecting Trustee shall continue in office unless he or she resigns or is removed by a court of competent jurisdiction. In the event both of said named persons then fail to become or at any time cease to be Trustees (as evidenced by an opinion letter from his and her doctor), then THOMAS B. WILKES shall act as successor Trustee. In the event he shall for any reason be unable to act, then VENA D. TAYLOR shall act as successor Trustee hereunder. Such successor Trustee shall have all the powers, rights, discretions, and obligations conferred on such Trustee by this Declaration. A non-beneficiary Trustee shall be entitled to an annual fee of one percent (1%) of the fair market value of the Trust Estate.
- B. The Trustee, or any successor, may resign at any time upon giving written notice sixty (60) days before such resignation shall take effect, to the Trustors or, after the death of both Trustors, to all adult beneficiaries and to the guardians, conservators or other fiduciaries of the estate of any minor or incompetent beneficiaries who may then be receiving or

entitled to receive income hereunder.

- C. Any non-beneficiary Trustee shall be entitled to reasonable compensation for services rendered by it or by counsel engaged by it. Such compensation for the Trustee and counsel shall be paid from the Trust Estate as the Trustee deems proper. The Trustee is to serve without bond.

ARTICLE V: ADMINISTRATIVE PROVISIONS

- A. Whenever the right of any beneficiary to payments from the net income or principal of any Trust provided for in this Declaration shall terminate, either by reason of death or other cause, any accrued net income from such Trust undistributed by the Trustee shall be disposed of in the same manner as if such income had accrued and been received by the Trustee after the date such beneficiary's right to receive payments from such Trust terminated.
- B. The Trustee shall periodically, at least annually, prepare and deliver to the Trustor and after the death of the second Trustor, to each beneficiary mentioned in this Declaration an accounting in writing of the Trustee's administration of the Trusts provided for in this Declaration. Written approval of any such account signed by any beneficiary shall constitute an absolute release of the Trustee from any and all liability for any matters stated in such accounting. Such approval and release shall be binding not only on the Trustor or beneficiary who signed it, but also on the administrators, executors, successors, and assigns of such Trustor or beneficiary.
- C. Unless the Trustee shall have received actual notice, in writing, of the occurrence of an event affecting the beneficial interests of this Trust, the Trustee shall not be liable to any beneficiary of this Trust for

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distribution made as though the event had not occurred.

- D. Unless sooner terminated in accordance with other provisions of this instrument, all Trusts created under this agreement shall terminate twenty-one (21) years after the death of the Trustor or of the Trustor's issue living on the date of the death of the Trustor. The principal and undistributed income of a terminated Trust shall be distributed to the then income beneficiaries of that Trust in the same proportions that the beneficiaries are entitled to receive income when the Trust terminates. If at the time of such termination the rights to income are not fixed by the terms of the Trust, distribution under this clause shall be made, by right of representation, to the persons who are entitled or authorized, in the Trustee's discretion, to receive Trust payments.
- E. Whenever in this Agreement it is provided that a child, grandchild or more remote descendant of the Trustor must survive the Trustor, or another person upon whose death the interest of such beneficiary depends, the requirement of survivorship shall be interpreted to mean the said beneficiary must survive the Trustor, or such other person by thirty (30) days in order to take such property. This provision shall constitute a condition effective to lapse or divest the interest of any beneficiary to whom it applies and to make a gift over of the interest or property involved to the person or persons who would receive the same if such beneficiary had died before the Trustor or before such other person as the case may be.
- F. No interest in the principal or income of any Trust created under this instrument shall be anticipated, assigned, encumbered, or subjected to creditor's claim or legal process before actual receipt by the beneficiary.

- G. The validity of this Trust and the construction of its beneficial provisions shall be governed by the laws of the State of California in force from time to time.
- H. In this instrument, the term "issue" shall refer to lawful lineal descendants of all degrees, and the terms "child", "children", and "issue" shall include adopted children.
- I. If any provision of this Trust instrument is unenforceable the remaining provisions shall nevertheless be carried into effect.
- J. As used in this Declaration of Trust, the masculine, feminine, or neuter gender, and the singular or plural, shall each include the others wherever the context so indicates.
- K. The Trusts created in this instrument may be referred to collectively as the 1988 TAYLOR LIVING TRUST.

ARTICLE VI: MANAGED ACCOUNTS

- A. The Trustee is authorized to buy, sell and trade in securities of any nature (including option contracts and "short" sales) for cash, and for such purpose may maintain and operate cash accounts with brokers, and may deliver and pledge any securities held or purchased by him with such brokers both as security for loans and advances made to the Trustee and to insure the Trustee's ability to deliver stock against short options. The Trustee is also authorized to open a discretionary managed account in commodities, stocks, bonds, mutual funds, options, currencies, precious metals, real estate, Trust deeds, etc.

ARTICLE VII: RETIREMENT PROCEEDS

- A. Notwithstanding any other provision of this Trust, in the event any

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amounts are received by the Trustee of any Trust created under or by this Trust Agreement as the proceeds of or distributions from any qualified pension or profit-sharing plan or other plan described in Section 2039 of the Internal Revenue Code of 1954, as amended, or the comparable provisions of any succeeding law, such amounts shall not be used to satisfy any obligations of the estate of the participant in such plan, and the Trustee under such Trust is expressly prohibited from satisfying any such obligations out of such amounts.

ARTICLE VIII: POWER TO COLLATERALIZE

- A. The Trustors acting together (or one of them during the incapacity or inability of the other of them) shall have the power at any time during their joint lifetimes, for personal use, to borrow money upon the security of the property which is subject to this agreement.

ARTICLE IX: SIGNING AND ENDORSING NEGOTIABLE INSTRUMENTS

- A. Any person(s) or bank while acting as Trustee or Trustees hereunder, may act either jointly or severally (i.e., upon either the joint signatures or the sole signature of any such named persons or person), to sign, endorse, or negotiate, with respect to any checking or savings accounts, Allsavers certificates, NOW accounts, money market funds or accounts, certificates of deposit, or other similar cash accounts, and also with respect to any stock certificates, bonds (registered or bearer), or other negotiable instruments constituting part of the Trust Estate.

ARTICLE X: SITUS

- A. The Situs of the Trust shall be California.

ARTICLE XI: INTENTION TO AVOID PROBATE

- A. It is the intention of the Trustors to avoid probate through the use of this Trust Agreement. If, however, the Trustee(s) of this Trust and the Executor(s) of the estate of the Trustors shall mutually determine that it shall be in the best interests of the beneficiaries of the Trust, and the beneficial interests of the beneficiaries shall not thereby be altered, the Trustee(s) may subject any asset to probate to accomplish a result unavailable without probate (e.g., to bar future creditor claims).

ARTICLE XII: POWER TO HOLD TITLE IN THE NAME OF ONE TRUSTEE ONLY

- A. Where title to property was held in the sole name of one Trustor prior to the execution of this document, that Trustor may, at his or her option, be the sole Trustee with regard to title to that property. Trust property held in the name of one Trustee, shall not be subject to the power or control of the other Trustee, while both Trustees are alive. Upon the death of the Trustee in whose name title to the property is held, the surviving Trustor shall be successor Trustee of the property and shall have all the powers of Trustee as stated in this Trust. Upon the termination of the surviving Trustor's term as Trustee, the successor Trustees shall serve in the order named in this Declaration of Trust. Where the Trustor elects to transfer title to separate property to both Trustors as Trustees of their trust, the transfer shall not be construed as evidence of any intention to transmute separate property into community property.

ARTICLE XIII: NO-CONTEST CLAUSE

A. In the event any beneficiary under this trust shall, singly or in conjunction with any other person or persons, contest in any court the validity of this trust or the deceased Trustor's last Will or shall seek to obtain an adjudication in any proceeding in any court that this trust or any of its provisions or that such Will or any of its provisions is void, or seek otherwise to void, nullify, or set aside this trust or any of its provisions, 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 Trustor.

ARTICLE XIV: TRANSMUTATION OF COMMUNITY PROPERTY

A. During the joint lifetimes of the Trustors, if either of the Trustors requires in-home medical or supportive services, convalescent or nursing home care, or at any such time as the Trustee in the Trustee's sole discretion deems advisable, the Trustee may transmute the community property of the Trust Estate into two (2) equal shares of separate property. One (1) such equal share shall constitute the separate property of the husband, which, together with his other separate property (if any) shall constitute a separate share of the Trust for all purposes, and one (1) such equal share shall constitute the separate property of the wife, which, together with her other separate property (if any), shall constitute a separate share of the Trust for all purposes. The Trustee, in making such transmutation, shall comply with the requirements of the Medi-Cal program and shall have the explicit authority to enter into an interspousal agreement effectuating said transmutation. Further, the Trustee, in the Trustee's sole discretion, shall have the authority to quitclaim and convey all of one (1) spouse's interest in the real property

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used as the principal residence to the other spouse as his or her separate property, and, as the agent for the spouse receiving said property to add the same by conveyance or otherwise to such spouse's separate share of the Trust.

- B. If a transmutation of the community estate has been effectuated pursuant to paragraph A. above, then in lieu of any other provisions in this Trust Agreement providing for the distribution of income and principal of separate property or community property, the Trustee shall pay to or apply for the benefit of a spouse such sums out of the net income of the separate share of such spouse, and, if that be insufficient, then out of principal of such separate share, up to the whole thereof, as the Trustee in the Trustee's discretion shall deem necessary for the proper care, comfort, education, enjoyment, health, maintenance, support, welfare, and well-being of that spouse in accordance with his or her accustomed manner of living, including, but not limited to, such sums as may be necessary to pay all of his or her medical, dental, hospital, convalescent, invalidism, rehabilitation, treatment and nursing care expenses. Further, a spouse may direct the Trustee in writing, from time to time, to pay to or apply for the benefit of any one (1) or more persons and entities out of the net income and principal of that spouse's separate share whatever single sums or periodic payments that such spouse desires, which payments shall be made first out of the net income and, if that be insufficient, then out of the principal of such spouse's separate share. Any income not distributed shall be accumulated and added to the principal of that spouse's separate share from time to time. In making such distributions, the Trustee shall be guided by any applicable Medi-Cal regulations regarding countable resources and spenddown of assets.

IN WITNESS WHEREOF, the foregoing instrument was executed on the 21st day of July, 1988:

*Glen A. Taylor*

GLEN A. TAYLOR  
TRUSTOR

*Mary F. Taylor*

MARY F. TAYLOR  
TRUSTOR

*Glen A. Taylor*

GLEN A. TAYLOR  
TRUSTEE

*Mary F. Taylor*

MARY F. TAYLOR  
TRUSTEE

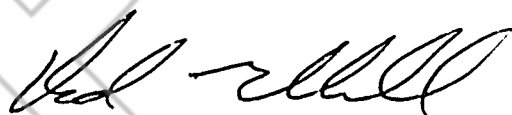
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STATE OF CALIFORNIA     )  
                                  )  
COUNTY OF SAN FRANCISCO )

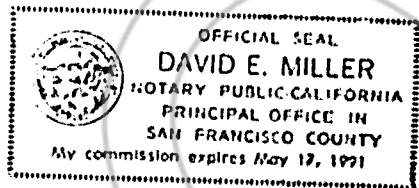
ON THIS 21st day of July, in the year one thousand nine hundred and eighty-eight, before me, DAVID E. MILLER, a Notary Public, State of California, duly commissioned and sworn, personally appeared GLEN A. TAYLOR and MARY F. TAYLOR, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons described in and whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal in the City of San Francisco and County of San Francisco the day and year in this certificate first above written.



NOTARY PUBLIC, State of California

My commission expires May 17, 1991



SCHEDULE A

(Community Property of Husband and Wife)

ASSETS: Savings Account(s)

- Timeshares in: (1) Ridge Tahoe, Nevada  
(2) Pahio, Kauai, Hawaii

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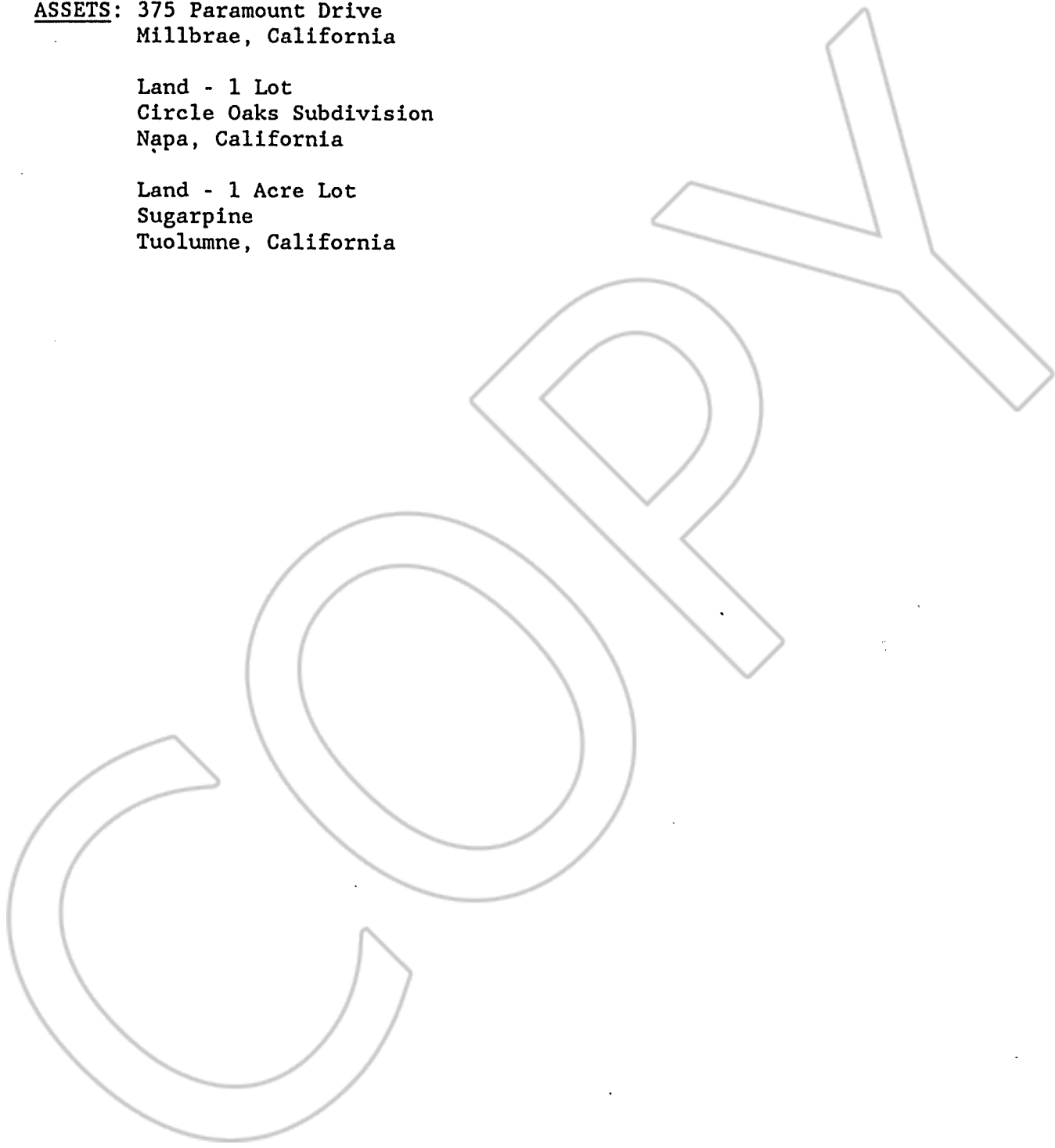
SCHEDULE B

(Separate Property of Husband)

ASSETS: 375 Paramount Drive  
Millbrae, California

Land - 1 Lot  
Circle Oaks Subdivision  
Napa, California

Land - 1 Acre Lot  
Sugarpine  
Tuolumne, California



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SCHEDULE C

(Separate Property of Wife)

ASSETS: 380 Paramount Drive  
Millbrae, California  
1/2 interest

Land - 2 Lots  
Clearlake Oaks, CA  
1/2 interest

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ACT

EXHIBIT "A"

A Timeshare Estate comprised of:

Parcel One:

An undivided 1/51st interest in and to that certain condominium described as follows:

- (a) An undivided 1/20th interest, as tenants-in-common, in and to Lot 31 of Tahoe Village Unit No. 3, Fifth-Amended Map, recorded October 29, 1981, as Document No. 61612 as corrected by Certificate of Amendment recorded November 23, 1981, as Document No. 62661, all of Official Records Douglas County, State of Nevada. Except therefrom units 81 to 100 Amended Map and as corrected by said Certificate of Amendment.
- (b) Unit No. 091-04 as shown and defined on said last mentioned map as corrected by said Certificate of Amendment.

Parcel Two:

A non-exclusive right to use the real property known as Parcel "A" on the Official Map of Tahoe Village Unit No. 3, recorded January 22, 1973, as Document No. 63805, records of said county and state, for all those purposes provided for in the Declaration of Covenants, Conditions, and Restrictions recorded January 11, 1973, as Document No. 63681, in Book 173 Page 229 of Official Records and in modification thereof recorded September 28, 1973, as Document No. 69063 in Book 973 Page 812 of Official Records and recorded July 2, 1976, as Document No. 1472 in Book 776 Page 87 of Official Records.

Parcel Three:

A non-exclusive easement for ingress and egress and recreational purposes and for use and enjoyment and incidental purposes over, on and through Lots, 29, 39, 40, and 41 as shown on said Tahoe Village Unit No. 3, Fifth-Amended Map and as corrected by said Certificate of Amendment.

Parcel Four:

- (a) A non-exclusive easement for roadway and public utility purposes as granted to Harich Tahoe Developments in deed re-recorded December 8, 1981, as Document No. 63026, being over a portion of Parcel 26-A (described in Document No. 01112, recorded June 17, 1976) in Section 30, Township 13 North, Range 19 East, M.D.M., - and -
- (b) An easement for ingress, egress and public utility purposes, 32' wide, the centerline of which is shown and described on the Fifth-Amended Map of Tahoe Village No. 3, recorded October 29, 1981, as Document No. 61612, and amended by Certificate of Amendment recorded November 23, 1981, as Document No. 62661, Official Records, Douglas County, State of Nevada.

Parcel Five:

The Exclusive right to use said UNIT and the non-exclusive right to use the real property referred to in subparagraph (a) of Parcel One and Parcels Two, Three, and Four above during ONE "use week" within the Summer "use season", as said quoted terms are defined in the Declaration of Restrictions, recorded September 17, 1982 as Document No. 71000 of said Official Records.

The above described exclusive and non-exclusive rights may be applied to any available unit in the project, during said use week within said season.

SPACE BELOW FOR RECORDER'S USE

REQUEST:  
*Suzanne Beaudreau Taylor*  
IN OFFICIAL RECORDS OF  
DOUGLAS CO. NEVADA

'88 SEP 12 P2:59

SUZANNE BEAUDREAU  
RECORDER

30<sup>00</sup> PAID *[Signature]* DEPUTY

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