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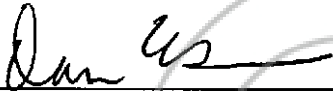
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TITLE OF DOCUMENT

**ORDER CONFIRMING TRUSTEE,  
ADMITTING TRUST TO JURISDICTION  
OF THE COURT, AND CONFIRMING  
IDENTITY OF TRUST BENEFICIARIES**

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Case No. 14PB0050

Dept. No. II

BY *[Signature]* DEPUTY

IN THE NINTH JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA  
IN AND FOR THE COUNTY OF DOUGLAS

IN THE MATTER OF:

THE WILLIAM W. BLISS PERSONAL  
RESIDENCE TRUST FOR THE  
BENEFIT OF WILLIAM TODD BLISS

ORDER CONFIRMING TRUSTEE,  
ADMITTING TRUST TO JURISDICTION  
OF THE COURT, AND CONFIRMING  
IDENTITY OF TRUST BENEFICIARIES

The Petition of Christopher MacKenzie, as Trustee of The William W. Bliss Personal Residence Trust for the benefit of William Todd Bliss, established under Trust Agreement dated July 8, 1996 seeking to confirm the Trustee, to admit the Trust to the jurisdiction of the Court as a proceeding in rem, and for instructions concerning the internal affairs of the Trust to determine the identity of beneficiaries pursuant to Sections 153.031, 164.010, 164.015, and 164.030 of the Nevada Revised Statutes came before the Court for hearing this date. Michaelle D. Rafferty, Esq. of Maupin, Cox & LeGoy appeared on behalf of Petitioner, and no persons appeared to consent or object to the Petitioner. Based on the hearing, and the pleadings and papers on file in the above referenced matter, the Court hereby finds as follows:

1           1.     Notice of Hearing. Notice of hearing has been given as required by law as  
2 evidenced by the Affidavit of Mailing filed with the Court on May 7, 2014.

3           2.     Identity of Grantor and Trust Formation. William W. Bliss (the "Grantor"), a  
4 resident of Douglas County, Nevada, established an irrevocable trust, entitled as The  
5 William W. Bliss Personal Residence Trust on July 8, 1996, one copy of which was  
6 attached to the Petition for the Court's review. Upon formation of the Trust, the Grantor  
7 transferred his interest in certain residential real property located in Glenbrook, Douglas  
8 County, Nevada, to the Trust, consisting of a two-thirds (2/3) interest therein. The  
9 Grantor's interest in the Trust terminated in 2006 and the balance of the Trust estate was  
10 held for the primary benefit of William Todd Bliss ("Billy") thereafter.

11           3.     Confirmation of Trustee and Admission of Trust to the Court's Jurisdiction.  
12 The Petitioner, Christopher MacKenzie, is the sole Trustee of the Trust and should be  
13 confirmed as the duly acting Trustee hereafter in accordance with NRS 164.010(1). The  
14 Trust is domiciled in Douglas County, Nevada and this Court finds that venue is proper and  
15 jurisdiction of the Trust as a proceeding in rem should be granted.

16           4.     Authority to consider Petition. NRS 164.010, NRS 164.015(1), and NRS  
17 153.031 provide sufficient authority for the Court to consider the Petition.

18           5.     Confirmation of distribution to Estate of William Todd Bliss. Pursuant to  
19 paragraph 7. of Article II of the Trust Agreement, the Trust was to be administered for the  
20 benefit of Billy, with scheduled distributions to Billy of trust principal to occur in separate  
21 staggered disbursements upon his attaining the ages of 40, 45, and 50, respectively. Billy  
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1 attained the age of 40 and was entitled to receive a one-third (1/3) outright distribution from  
2 the Trust estate. At the time of his September 4, 2013 death, Billy held a vested interest  
3 in one-third (1/3) of the Trust estate which the Court finds should now be distributed to  
4 William W. Bliss, as the duly appointed Executor of Billy's Will and Estate, to be held and  
5 subject to administration in Billy's estate before the First Judicial District Court, in and for  
6 Carson City, Nevada.  
7

8 6. Interpretation of Trust Agreement is necessary to resolve ambiguities. The  
9 Court has reviewed the terms of the Trust Agreement and Nevada law related to  
10 interpretation of such trust instruments set forth in the Petition. The Court confirms the  
11 existence of an ambiguity as to the identity of the remainder beneficiaries due to the  
12 absence of issue of Billy and therefore, the absence of a trust for the benefit of the issue  
13 of Billy. Therefore the Court finds that instructions to the Trustee should be issued in order  
14 to confirm the identity of the remainder beneficiaries of the Trust estate.  
15

16 7. Interpretation of Trust instruments in Nevada. Interpretation of trust  
17 instruments involves the well settled policy of seeking to identify and carry out the intention  
18 of the grantor (often referred to as the settlor or decedent following death). Bogert On  
19 Trust, §49 and §103 (West 2012). The Nevada Supreme Court has considered the  
20 standard of review for such trust instruments in multiple cases, and has consistently upheld  
21 that:  
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23 [I]t is the long-accepted position of this court that the "primary aim in  
24 construing the terms of a ["donative"] document must be to give effect, to  
25 the extent consistent with law and policy, to the intentions of the ["donor"].  
26

1 See Zirovcic v Kordic, 101 Nev. 740, 709 P.2d 1022 (1985) (referring to "testator" rather  
2 than "donor"). Concannon v. Winship, 94 Nev. 432, 581 P.2d 11 (1978). In re matter of  
3 Estate of Chong, 111 Nev. 1404; 906 P.2d 710 (Nev. 1995), In re matter of Estate of  
4 Meredith, 105 Nev. 691; 782 P.2d 1315 (Nev. 1989). It is well established law that the  
5 plain meaning of the words used in the trust instrument will control determination of the  
6 Grantor's intent, and the "Four Corners Rule" requires that intent be gathered from the  
7 whole instrument, taken together, rather than from any particular provision standing alone  
8 and isolated. 80 Am Jur 2d Wills §1013. When the words in the instrument are clear and  
9 unambiguous, the review is to go no further, and the plain meaning of such unambiguous  
10 words will control. In re Foster's Estate (Soady v. First National Bank), 82 Nev. 97, 100,  
11 411 P.2d 482, 484 (Nev. 1966).

12  
13 If such ambiguity cannot be resolved absent use of extrinsic evidence beyond the  
14 four corners of the trust instrument, such as extrinsic evidence may be considered in  
15 determining the Grantor's intent, but with certain limitations. The United States Supreme  
16 Court has recognized that extrinsic evidence is admissible to clear up ambiguities in the  
17 words used within an instrument but not to control its construction. Barber v. Pittsburgh,  
18 Ft. W. & C. Ry. Co., 166 U.S. 83, 109, 17 S. Ct. 488, 495, 41 L. Ed. 925 (1897). Evidence  
19 of the circumstances surrounding the Grantor are however admissible in construing an  
20 ambiguous provision that cannot be resolved under rules of construction. Smith v. Bell,  
21 31 U.S. 68, 71, 8 L. Ed. 322 (1832). Consistent with the above, the 9<sup>th</sup> Circuit Court of  
22 Appeals has indicated that extrinsic evidence may be used to explain the language of the  
23 instrument when uncertainty arises. Linton v. United States, 630 F.3d 1211, 1218 (9th Cir.  
24 2011). The Nevada Supreme Court has also recognized the use of extrinsic evidence,  
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1 holding that while it cannot be used to change the words of a Will, it can be used to  
2 determine the meaning of those words used. In re Jones' Estate, 72 Nev. 121, 123, 296  
3 P.2d 295, 296 (1956); and see NRS 137.005 (referencing permissible use of extrinsic  
4 evidence in a no-contest clause where the words used are ambiguous).

5 When the words used in one part of the document cast doubt on a prior provision  
6 in the same document, or alternatively are in direct contradiction to a prior provision,  
7 thereby creating a question as to whether or not the earlier provision is still valid, the  
8 ambiguity must be resolved in favor of the prior unambiguous conveyance. Id. However,  
9 when two or more provisions are unambiguous when read separately, but are in conflict  
10 with each other when read together, the Court must attempt to resolve the conflict through  
11 reasonable reconciliation of the two unambiguous provisions into a single interpretation.  
12 In re Jones' Estate, 72 Nev. 121, 123, 296 P.2d 295, 296 (Nev. 1956). To do otherwise,  
13 such as favoring one provision over the other, would be to invade the grantor's intent. Id.  
14 If two contradictory provisions cannot be reconciled so as to stand together  
15 simultaneously, both provisions must fail and such portion of the gift or bequest will pass  
16 pursuant to the alternative controlling provisions such as a general residuary clause or a  
17 remote heir provision. Id. If no such residuary or remote provision exists, then the gift or  
18 bequest will fail triggering reversion of the gift to the donor absent other salvaging  
19 mechanisms. In re Foster's Estate, *supra*.

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22 8. Applying rules of interpretation to current trust instrument. The Trust  
23 Agreement contains an initial ambiguity in whether the provisions of subparagraph  
24 B.7.d.(iv.) of article II of the Trust Agreement are limited solely to a trust to be established  
25 for the benefit of a grandchild of Billy. The plain meaning of the term "hereinafter" as  
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1 referenced in the clause "*as hereinafter provided*" in the Trust Agreement is defined by  
2 Merriam-Webster Dictionary (2nd Ed.) to mean "in the following part of this writing or  
3 document." As the only dispositive provisions that exist "hereinafter" within the Trust  
4 Agreement are within subparagraph B.7. of article II of the Trust Agreement, the Court  
5 finds that the Grantor's intent was to identify a remainder beneficiary to Billy if he passed  
6 without issue within subparagraph B.7. of article II of the Trust Agreement. To find  
7 otherwise would result in a failure of the trust due to a lack of a beneficiary, and would  
8 therefore be contrary to accepted law and public policy. In re Foster's Estate, supra.

9  
10 9. Specifically identified beneficiaries prevails over subsequent remote heir  
11 clause. In review of subparagraph B.7.d.(iv.) of article II of the Trust Agreement to identify  
12 a beneficiary, there are two possible results, creating an ambiguity as to which provision  
13 is applicable. Specifically, the question before the Court is whether the remainder  
14 beneficiaries are (1) the two specifically named individuals, Megan Walton, previously  
15 known as Megan Schutte ("Megan"), and Will Schutte, also known as William R. Schutte  
16 ("Will") or (2) Billy's father and the Grantor herein, William W. Bliss. The bequest to Megan  
17 and Will is the next successive bequest following the "*as hereinafter provided*" reference.  
18 Therefore, interpreting the "*as hereinafter provided*" language to direct distribution to a  
19 beneficiary without regard to the establishment of a grandchild's trust requires a finding  
20 that Megan and Will are the beneficiaries. The applicable rules of construction do not  
21 permit the Court to interpret a subsequent provision inconsistent with a prior provision in  
22 the same instrument. See In re Jones' Estate, supra. The remote heir provision which  
23 appears at the end of the same subparagraph specifically states that it is only applicable  
24 if "no other provision" directs another distribution, and the Court therefore finds that the  
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early specific direction to Megan and Will should therefore control from a plain reading of the Trust instrument. Therefore, the Court finds that Megan and Will are the remainder beneficiaries.

10. Extrinsic evidence sheds further light on Grantor's intent. Although extrinsic evidence can not be used in lieu of the plain meaning of the terms in the Trust instrument, it may be used to support the plain meaning. Generally, such review is conducted without the presence of the Grantor. However, in this case, the Grantor is available and has submitted an affidavit to this Court attached to the Petition which further confirms his intent consistent with the plain meaning of the words contained in the Trust instrument. The Court recognizes that the Grantor's Affidavit, which is contrary to the Grantor's own interest as a potential beneficiary, confirms that the Grantor intended for Megan and Will to be the remainder beneficiaries following Billy's passing if Billy passed away without leaving any issue, in conformance with the Court's findings in paragraph 9. above.

BASED ON ALL OF THE ABOVE, the Court hereby Orders the following:

- A. The Trust is admitted to the jurisdiction of the Court as a proceeding in rem, and the Petitioner is confirmed as the Trustee;
- B. The Trustee is hereby instructed to distribute a one-third (1/3) interest in the Trust estate to William W. Bliss, as the duly appointed Executor of the Estate of William Todd Bliss in satisfaction of the Trustee's obligations to William Todd Bliss, deceased, and now the Estate of William Todd Bliss.

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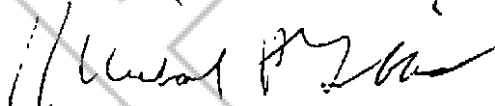


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C. The Trustee is further hereby instructed to distribute the rest and residue of the Trust estate, in separate equal shares, and outright and free of trust, to Megan Waiton and Will Schutte, upon final distribution, as the remainder beneficiaries pursuant to subparagraph B.7.(d).(iv.) of article II of the Trust Agreement.

D. There being no further business of the Petitioner or Trust estate to come before the Court, the Trust is hereafter released from further jurisdiction of the Court, and the Petitioner be permitted to continue the administration and final distribution without additional court supervision hereafter.

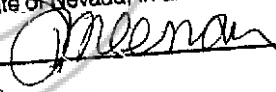
Dated this 19 day of May, 2014.

  
\_\_\_\_\_  
District Judge

**CERTIFIED COPY**

The document to which this certificate is attached is a full, true and correct copy of the original in file and of record in my office.

DATE August 28, 2014  
TED THUAN Clerk of the 9th Judicial District Court  
of the State of Nevada, in and for the County of Douglas.

By  Deputy