

DOUGLAS COUNTY, NV

2020-946855

Rec:\$40.00

\$40.00 Pgs=18

06/01/2020 08:20 AM

STIFEL BANK & TRUST

KAREN ELLISON, RECORDER

I the undersigned hereby affirm that this document submitted for recording does not contain any personal information.

Emily Meyer
Signature

Consumer Loan Processor
Title

05-19-2020
Date

Assessor Parcel No(s):

RECORDATION REQUESTED BY:

Stifel Bank & Trust , Creve Coeur, 12655 Olive Boulevard, Suite 250, St. Louis, MO 63141

WHEN RECORDED MAIL TO:

Stifel Bank & Trust , Creve Coeur, 12655 Olive Boulevard, Suite 250, St. Louis, MO 63141

SEND TAX NOTICES TO:

BRANDON T HARRIS and TIFFANY K HARRIS, Trustees of THE 2008 HARRIS FAMILY TRUST DATED 01/12/2009 under the provisions of a trust agreement, 2234 PIONEER TRL, GENOA, NV 89411

FOR RECORDER'S USE ONLY

REVOLVING CREDIT DEED OF TRUST

MAXIMUM LIEN. The lien of this Deed of Trust shall not exceed at any one time \$100,000.00.

THIS DEED OF TRUST is dated May 19, 2020, among BRANDON T HARRIS and TIFFANY K HARRIS, Trustees of THE 2008 HARRIS FAMILY TRUST DATED 01/12/2009 under the provisions of a trust agreement ("Grantor"); Stifel Bank & Trust , whose address is Creve Coeur, 12655 Olive Boulevard, Suite 250, St. Louis, MO 63141 (referred to below sometimes as "Lender" and sometimes as "Beneficiary"); and BEVERLY PERRY, whose address is 1010 HUMBOLDT ST, RENO , NV 89509 (referred to below as "Trustee").

CONVEYANCE AND GRANT. For valuable consideration, Grantor irrevocably grants, bargains, sells and conveys to Trustee with power of sale for the benefit of Lender as Beneficiary all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar

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matters, (the "Real Property") located in DOUGLAS County, State of Nevada:

LOT 2 AS SHOWN ON THE OFFICIAL MAP OF PIONEER TRAIL RANCH SUBDIVISION, UNIT NO. 1, RECORDED IN THE OFFICE OF THE COUNTY RECORDER, DOUGLAS COUNTY, NEVADA, ON NOVEMBER 21, 1966, AS DOCUMENT NO. 34628.

The Real Property or its address is commonly known as 2234 PIONEER TRL, GENOA, NV 89411. The Real Property tax identification number is 1319-10-311-002.

REVOLVING LINE OF CREDIT. This Deed of Trust secures the indebtedness including, without limitation, a revolving line of credit, which obligates Lender to make advances to Borrower so long as Borrower complies with all the terms of the Credit Agreement. Such advances may be made, repaid, and remade from time to time, subject to the limitation that the total outstanding balance owing at any one time, not including finance charges on such balance at a fixed or variable rate or sum as provided in the Credit Agreement, any temporary overages, other charges, and any amounts expended or advanced as provided in either the indebtedness paragraph or this paragraph, shall not exceed the Credit Limit as provided in the Credit Agreement. It is the intention of Grantor and Lender that this Deed of Trust secures the balance outstanding under the Credit Agreement from time to time from zero up to the Credit Limit as provided in the Credit Agreement and any intermediate balance.

Grantor presently, absolutely, and irrevocably assigns to Lender (also known as Beneficiary in this Deed of Trust) all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property.

THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS INCLUDING FUTURE ADVANCES AND (B) PERFORMANCE OF EACH OF GRANTOR'S AGREEMENTS AND OBLIGATIONS UNDER THE CREDIT AGREEMENT, THE RELATED DOCUMENTS, AND THIS DEED OF TRUST. THIS DEED OF TRUST IS GOVERNED IN PART BY NRS 106.300 TO 106.400 AND THEREFORE SECURES FUTURE ADVANCES MADE BY LENDER. THE MAXIMUM AMOUNT OF ADVANCES SECURED BY THIS DEED OF TRUST IS STATED BELOW UNDER THE DEFINITION OF CREDIT AGREEMENT, WHICH MAXIMUM MAY INCREASE OR DECREASE FROM TIME TO TIME BY AMENDMENT OF THE CREDIT AGREEMENT. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

GRANTOR'S REPRESENTATIONS AND WARRANTIES. Grantor warrants that: (a) this Deed of Trust is executed at Borrower's request and not at the request of Lender; (b) Grantor has the full power, right, and authority to enter into this Deed of Trust and to hypothecate the Property; (c) the provisions of this Deed of Trust do not conflict with, or result in a default under any agreement or other instrument binding upon Grantor and do not result in a violation of any law, regulation, court decree or order applicable to Grantor; (d) Grantor has established adequate means of obtaining from Borrower on a continuing basis information about Borrower's financial condition; and (e) Lender has made no representation to Grantor about Borrower (including without limitation the creditworthiness of Borrower).

GRANTOR'S WAIVERS. Grantor waives all rights or defenses arising by reason of any "one action" or "anti-deficiency" law, or any other law which may prevent Lender from bringing any action against Grantor, including a claim for deficiency to the extent Lender is otherwise entitled

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to a claim for deficiency, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale.

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Deed of Trust, Borrower shall pay to Lender all Indebtedness secured by this Deed of Trust as it becomes due, and Borrower and Grantor shall perform all their respective obligations under the Credit Agreement, this Deed of Trust, and the Related Documents.

STATUTORY COVENANTS. The following Statutory Covenants are hereby adopted and made a part of this Deed of Trust: Covenants Nos. 1, 3, 4, 5, 6, 7 and 8 of N.R.S. 107.030. For Covenant 4, upon default, including failure to pay upon final maturity, the interest rate on the Credit Agreement shall be increased to 18.000%. However, in no event will the interest rate exceed the maximum interest rate limitations under applicable law. The percent of counsel fees under Covenant No. 7 shall be ten percent(10%). Except for Covenants Nos. 6, 7, and 8, to the extent any terms of this Deed of Trust are inconsistent with the Statutory Covenants the terms of this Deed of Trust shall control. Covenants 6, 7, and 8 shall control over the express terms of any inconsistent terms of this Deed of Trust.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Borrower and Grantor agree that Borrower's and Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property.

Duty to Maintain. Grantor shall maintain the Property in good condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Compliance With Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Deed of Trust. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on

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Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Deed of Trust or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Deed of Trust, including the obligation to indemnify and defend, shall survive the payment of the indebtedness and the satisfaction and reconveyance of the lien of this Deed of Trust and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

Removal of Improvements. Grantor shall not demolish or remove any Improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any Improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such Improvements with Improvements of at least equal value.

Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Deed of Trust.

Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

DUE ON SALE - CONSENT BY LENDER. Lender may, at Lender's option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property or any mobile home or manufactured home located on the property whether or not it is legally a part of the real property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether

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voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Nevada law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Deed of Trust:

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, special taxes, assessments, charges (including water and sewer), fines and impositions levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Deed of Trust, except for the lien of taxes and assessments not due, except for the Existing Indebtedness referred to below, and except as otherwise provided in this Deed of Trust.

Right to Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Deed of Trust.

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a fair value basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender,

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together with such other hazard and liability insurance as Lender may reasonably require. Policies shall be written in form, amounts, coverages and basis reasonably acceptable to Lender and issued by a company or companies reasonably acceptable to Lender. Grantor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least thirty (30) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Administrator of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain flood insurance, if available, for the maximum amount of Borrower's credit line and the full unpaid principal balance of any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan. Flood insurance may be purchased under the National Flood Insurance Program, from private insurers providing "private flood insurance" as defined by applicable federal flood insurance statutes and regulations, or from another flood insurance provider that is both acceptable to Lender in its sole discretion and permitted by applicable federal flood insurance statutes and regulations.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed Improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Deed of Trust. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Deed of Trust, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

Compliance with Existing Indebtedness. During the period in which any Existing Indebtedness described below is in effect, compliance with the insurance provisions contained in the instrument evidencing such Existing Indebtedness shall constitute compliance with the insurance provisions under this Deed of Trust, to the extent compliance with the terms of this Deed of Trust would constitute a duplication of insurance requirement. If any proceeds from the insurance become payable on loss, the provisions in this Deed of Trust for division of proceeds shall apply only to that portion of the proceeds not payable to the holder of the Existing Indebtedness.

LENDER'S EXPENDITURES. If Grantor fails (A) to keep the Property free of all taxes, liens, security interests, encumbrances, and other claims, (B) to provide any required insurance on

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the Property, (C) to make repairs to the Property or to comply with any obligation to maintain Existing Indebtedness in good standing as required below, then Lender may do so. If any action or proceeding is commenced that would materially affect Lender's interests in the Property, then Lender on Grantor's behalf may, but is not required to, take any action that Lender believes to be appropriate to protect Lender's interests. All expenses incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Credit Agreement from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Credit Agreement and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Credit Agreement; or (C) be treated as a balloon payment which will be due and payable at the Credit Agreement's maturity. The Deed of Trust also will secure payment of these amounts. The rights provided for in this paragraph shall be in addition to any other rights or any remedies to which Lender may be entitled on account of any default. Any such action by Lender shall not be construed as curing the default so as to bar Lender from any remedy that it otherwise would have had.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Deed of Trust:

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in the Existing Indebtedness section below or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Deed of Trust, and (b) Grantor has the full right, power, and authority to execute and deliver this Deed of Trust to Lender.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Trustee or Lender under this Deed of Trust, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

Survival of Promises. All promises, agreements, and statements Grantor has made in this Deed of Trust shall survive the execution and delivery of this Deed of Trust, shall be continuing in nature and shall remain in full force and effect until such time as Borrower's Indebtedness is paid in full.

EXISTING INDEBTEDNESS. The following provisions concerning Existing Indebtedness are a part of this Deed of Trust:

Existing Lien. The lien of this Deed of Trust securing the Indebtedness may be secondary and inferior to an existing lien. Grantor expressly covenants and agrees to pay, or see to

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the payment of, the Existing Indebtedness and to prevent any default on such indebtedness, any default under the instruments evidencing such indebtedness, or any default under any security documents for such indebtedness.

No Modification. Grantor shall not enter into any agreement with the holder of any mortgage, deed of trust, or other security agreement which has priority over this Deed of Trust by which that agreement is modified, amended, extended, or renewed without the prior written consent of Lender. Grantor shall neither request nor accept any future advances under any such security agreement without the prior written consent of Lender.

CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Deed of Trust:

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the Indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Trustee or Lender in connection with the condemnation. Grantor waives any legal or equitable interest in the net proceeds and any right to require any apportionment of the net proceeds of the award. Grantor agrees that Lender is entitled to apply the award in accordance with this paragraph without demonstrating that its security has been impaired.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Deed of Trust:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Deed of Trust and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Deed of Trust, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Deed of Trust.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Deed of Trust or upon all or any part of the Indebtedness secured by this Deed of Trust; (2) a specific tax on Borrower which Borrower is authorized or required to deduct from payments on the Indebtedness secured by this type of Deed of Trust; (3) a tax on this type of Deed of Trust chargeable against the Lender or the holder of the Credit Agreement; and (4) a specific tax on all or any portion of the Indebtedness or on payments of principal and interest made by Borrower.

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Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Deed of Trust, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Deed of Trust as a security agreement are a part of this Deed of Trust:

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Personal Property. In addition to recording this Deed of Trust in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Deed of Trust as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Deed of Trust may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Deed of Trust.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Deed of Trust:

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Borrower's and Grantor's obligations under the Credit Agreement, this Deed of Trust, and the Related Documents, and (2) the liens and security interests created by this Deed of Trust on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding

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paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

EVENTS OF DEFAULT. Grantor will be in default under this Deed of Trust if any of the following happen: (A) Grantor commits fraud or makes a material misrepresentation at any time in connection with the Credit Agreement. This can include, for example, a false statement about Borrower's or Grantor's income, assets, liabilities, or any other aspects of Borrower's or Grantor's financial condition. (B) Borrower does not meet the repayment terms of the Credit Agreement. (C) Grantor's action or inaction adversely affects the collateral or Lender's rights in the collateral. This can include, for example, failure to maintain required insurance, waste or destructive use of the dwelling, failure to pay taxes, death of all persons liable on the account, transfer of title or sale of the dwelling, creation of a senior lien on the dwelling without Lender's permission, foreclosure by the holder of another lien, or the use of funds or the dwelling for prohibited purposes.

RIGHTS AND REMEDIES ON DEFAULT. If an Event of Default occurs under this Deed of Trust, at any time thereafter, Trustee or Lender may exercise any one or more of the following rights and remedies:

Election of Remedies. All of Lender's rights and remedies will be cumulative and may be exercised alone or together. An election by Lender to choose any one remedy will not bar Lender from using any other remedy. If Lender decides to spend money or to perform any of Grantor's obligations under this Deed of Trust, after Grantor's failure to do so, that decision by Lender will not affect Lender's right to declare Grantor in default and to exercise Lender's remedies.

Accelerate Indebtedness. Lender shall have the right at its option without notice to Borrower or Grantor to declare the entire Indebtedness immediately due and payable.

Foreclosure. With respect to all or any part of the Real Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. Lender shall have the right, without notice to Borrower or Grantor to take possession of and manage the Property, and, whether or not Lender takes possession, collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the

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demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Tenancy at Sufferance. If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Borrower or Grantor, Grantor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

Other Remedies. Trustee or Lender shall have any other right or remedy provided in this Deed of Trust or the Credit Agreement or available at law or in equity.

Notice of Sale. Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Notices given by Lender or Trustee under the real property foreclosure proceedings shall be deemed reasonable. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

Sale of the Property. To the extent permitted by applicable law, Borrower and Grantor hereby waives any and all rights to have the Property marshalled. In exercising its rights and remedies, the Trustee or Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property. The power of sale under this Deed of Trust shall not be exhausted by any one or more sales (or attempts to sell) as to all or any portion of the Real Property remaining unsold, but shall continue unimpaired until all of the Real Property has been sold by exercise of the power of sale and all Indebtedness has been paid in full.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Deed of Trust, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Credit Agreement rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for

**DEED OF TRUST
(Continued)**

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bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law. Fees and expenses shall include attorneys' fees that Lender, Trustee, or both incur, if either or both are made parties to any action to enjoin foreclosure or to any legal proceeding that Grantor institutes. The fees and expenses are secured by this Deed of Trust and are recoverable from the Property.

Rights of Trustee. Trustee shall have all of the rights and duties of Lender as set forth in this section.

POWERS AND OBLIGATIONS OF TRUSTEE. The following provisions relating to the powers and obligations of Trustee are part of this Deed of Trust:

Powers of Trustee. In addition to all powers of Trustee arising as a matter of law, Trustee shall have the power to take the following actions with respect to the Property upon the written request of Lender and Grantor: (a) join in preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights to the public; (b) join in granting any easement or creating any restriction on the Real Property; and (c) join in any subordination or other agreement affecting this Deed of Trust or the interest of Lender under this Deed of Trust.

Obligations to Notify. Trustee shall not be obligated to notify any other party of a pending sale under any other trust deed or lien, or of any action or proceeding in which Grantor, Lender, or Trustee shall be a party, unless the action or proceeding is brought by Trustee.

Trustee. Trustee shall meet all qualifications required for Trustee under applicable law. In addition to the rights and remedies set forth above, with respect to all or any part of the Property, the Trustee shall have the right to foreclose by notice and sale, and Lender will have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

Successor Trustee. Lender, at Lender's option, may from time to time appoint a successor Trustee or Trustees to any Trustee under this Deed of Trust by an instrument executed and acknowledged by Lender, which shall be conclusive proof of the proper appointment of such substituted Trustee or Trustees. Upon the recording of such executed and acknowledged instrument in the office of the recorder of the county where the Real Property is located, the successor trustee or trustees, without conveyance of the Property, shall succeed to, and be vested with, all the title, powers, interests, duties and trusts vested in or conferred upon the Trustee in this Deed of Trust and by applicable law. If there be more than one Trustee, either may act alone and execute the trusts upon the request of Lender, and all of the Trustee's acts thereunder shall be deemed to be the acts of all Trustees, and the recital in any conveyance executed by such sole Trustee of such request shall be conclusive evidence thereof, and of the authority of such sole Trustee to act. This procedure for substitution of Trustee shall govern to the exclusion of all other provisions for substitution.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Deed

**DEED OF TRUST
(Continued)**

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of Trust:

Amendments. What is written in this Deed of Trust and in the Related Documents is Grantor's entire agreement with Lender concerning the matters covered by this Deed of Trust. To be effective, any change or amendment to this Deed of Trust must be in writing and must be signed by whoever will be bound or obligated by the change or amendment.

Caption Headings. Caption headings in this Deed of Trust are for convenience purposes only and are not to be used to interpret or define the provisions of this Deed of Trust.

Credit Advance. Grantor hereby acknowledges that all authorized signers under the Credit Agreement may request credit advances and that all such credit advances will be secured by this Deed of Trust.

Merger. There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Governing Law. With respect to procedural matters related to the perfection and enforcement of Lender's rights against the Property, this Deed of Trust will be governed by federal law applicable to Lender and to the extent not preempted by federal law, the laws of the State of Nevada. In all other respects, this Deed of Trust will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Missouri without regard to its conflicts of law provisions. However, if there ever is a question about whether any provision of this Deed of Trust is valid or enforceable, the provision that is questioned will be governed by whichever state or federal law would find the provision to be valid and enforceable. The loan transaction that is evidenced by the Credit Agreement and this Deed of Trust has been applied for, considered, approved and made, and all necessary loan documents have been accepted by Lender in the State of Missouri.

Choice of Venue. If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of St. Louis County, State of Missouri. (Initial Here _____)

Joint and Several Liability. All obligations of Borrower and Grantor under this Deed of Trust shall be joint and several, and all references to Grantor shall mean each and every Grantor, and all references to Borrower shall mean each and every Borrower. This means that each Grantor signing below is responsible for all obligations in this Deed of Trust.

No Waiver by Lender. Grantor understands Lender will not give up any of Lender's rights under this Deed of Trust unless Lender does so in writing. The fact that Lender delays or omits to exercise any right will not mean that Lender has given up that right. If Lender does agree in writing to give up one of Lender's rights, that does not mean Grantor will not have to comply with the other provisions of this Deed of Trust. Grantor also understands that if Lender does consent to a request, that does not mean that Grantor will not have to get Lender's consent again if the situation happens again. Grantor further understands that just because Lender consents to one or more of Grantor's requests, that does not mean Lender will be required to consent to any of Grantor's future requests. Grantor waives presentment, demand for payment, protest, and notice of dishonor.

**DEED OF TRUST
(Continued)**

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Severability. If a court finds that any provision of this Deed of Trust is not valid or should not be enforced, that fact by itself will not mean that the rest of this Deed of Trust will not be valid or enforced. Therefore, a court will enforce the rest of the provisions of this Deed of Trust even if a provision of this Deed of Trust may be found to be invalid or unenforceable.

Successors and Assigns. Subject to any limitations stated in this Deed of Trust on transfer of Grantor's interest, this Deed of Trust shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Deed of Trust and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Deed of Trust or liability under the Indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Deed of Trust.

Waive Jury. All parties to this Deed of Trust hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Nevada as to all Indebtedness secured by this Deed of Trust.

DEFINITIONS. The following words shall have the following meanings when used in this Deed of Trust:

Beneficiary. The word "Beneficiary" means Stifel Bank & Trust , and its successors and assigns.

Borrower. The word "Borrower" means BRANDON T HARRIS and TIFFANY K HARRIS, Trustees of THE 2008 HARRIS FAMILY TRUST DATED 01/12/2009 under the provisions of a trust agreement and BRANDON T HARRIS, Individually and includes all co-signers and co-makers signing the Credit Agreement and all their successors and assigns.

Credit Agreement. The words "Credit Agreement" mean the credit agreement dated May 19, 2020, with credit limit of \$100,000.00 from Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The maturity date of this Deed of Trust is June 15, 2030. **NOTICE TO GRANTOR: THE CREDIT AGREEMENT CONTAINS A VARIABLE INTEREST RATE.**

Deed of Trust. The words "Deed of Trust" mean this Deed of Trust among Grantor, Lender, and Trustee.

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

**DEED OF TRUST
(Continued)**

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Event of Default. The words "Event of Default" mean any of the events of default set forth in this Deed of Trust in the events of default section of this Deed of Trust.

Existing Indebtedness. The words "Existing Indebtedness" mean the indebtedness described in the Existing Liens provision of this Deed of Trust.

Grantor. The word "Grantor" means BRANDON T HARRIS and TIFFANY K HARRIS, Trustees of THE 2008 HARRIS FAMILY TRUST DATED 01/12/2009 under the provisions of a trust agreement.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Improvements. The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Credit Agreement or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Credit Agreement or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Trustee or Lender to enforce Grantor's obligations under this Deed of Trust, together with interest on such amounts as provided in this Deed of Trust.

Lender. The word "Lender" means Stifel Bank & Trust , its successors and assigns. The words "successors or assigns" mean any person or company that acquires any interest in the Credit Agreement.

Personal Property. The words "Personal Property" mean all equipment, fixtures, mobile homes, manufactured homes or modular homes which have not been legally acceded to the real property in accordance with Nevada law, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Deed of Trust.

Related Documents. The words "Related Documents" mean all promissory notes, credit

**DEED OF TRUST
(Continued)**


agreements, loan agreements, environmental agreements, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness; except that the words do not mean any guaranty whether now or hereafter existing, executed in connection with the Indebtedness.


Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

Trustee. The word "Trustee" means BEVERLY PERRY, whose address is 1010 HUMBOLDT ST, RENO, NV 89509 and any substitute or successor trustees.

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS DEED OF TRUST, AND GRANTOR AGREES TO ITS TERMS.

GRANTOR:

X  TEE
BRANDON T HARRIS, Trustee of THE 2008 HARRIS
FAMILY TRUST DATED 01/12/2009 under the provisions
of a Trust Agreement

X  TEE
TIFFANY K HARRIS, Trustee of THE 2008 HARRIS
FAMILY TRUST DATED 01/12/2009 under the provisions
of a Trust Agreement

DEED OF TRUST
(Continued)

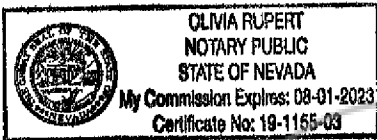
TRUST ACKNOWLEDGMENT

STATE OF Nevada

COUNTY OF Douglas

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) SS
)

This instrument was acknowledged before me on May 20th, 2020 by BRANDON T HARRIS, Trustee of THE 2008 HARRIS FAMILY TRUST DATED 01/12/2009 and TIFFANY K HARRIS, Trustee of THE 2008 HARRIS FAMILY TRUST DATED 01/12/2009, as designated trustees of THE 2008 HARRIS FAMILY TRUST DATED 01/12/2009.



[Handwritten Signature]

(Signature of notarial officer)

Notary Public in and for State of Nevada

(Seal, if any)

**DEED OF TRUST
(Continued)**

REQUEST FOR FULL RECONVEYANCE

(To be used only when obligations have been paid in full)

To: _____, Trustee

The undersigned is the legal owner and holder of all Indebtedness secured by this Deed of Trust. All sums secured by this Deed of Trust have been fully paid and satisfied. You are hereby directed, upon payment to you of any sums owing to you under the terms of this Deed of Trust or pursuant to any applicable statute, to cancel the Credit Agreement secured by this Deed of Trust (which is delivered to you together with this Deed of Trust), and to reconvey, without warranty, to the parties designated by the terms of this Deed of Trust, the estate now held by you under this Deed of Trust. Please mail the reconveyance and Related Documents to:

Date: _____

Beneficiary: _____

By: _____

Its: _____

2008 HARRIS FAMILY TRUST

ARTICLE ONE CREATION OF TRUST

1.1. Declaration. BRANDON T. HARRIS and TIFFANY K. HARRIS, husband and wife, of Monterey County, California, who are herein referred to as "the settlors" or "the trustees," depending on the context, hereby declare that they hold certain property (the "trust estate") in trust, to be held, administered, and distributed according to the terms of this instrument.

1.2. Names of Trusts. The trusts created by this instrument shall be known collectively as the 2008 HARRIS FAMILY TRUST, and each separate trust created under this instrument shall be referred to by adding the name or designation of that separate trust as it appears in the appropriate section of this instrument.

1.3. Statement of Intent. The primary purpose of the settlors in the creation of this trust is to provide for the support of the settlors and to provide for the management of the trust property for their support in case that should become necessary. The interests of the settlors during their joint lifetimes and then the interests of the surviving settlor during that surviving settlor's lifetime are of primary importance for any trust while that trust remains revocable. For any irrevocable trust in which the surviving settlor has a lifetime interest, the interests of the surviving settlor shall have priority over the interests of the beneficiaries of the remainder interest.

1.4. Effective Date. This declaration shall be effective immediately on execution by all the parties.

1.5. Identification of Living Children. The settlors have three living children, as follows:

<u>Name</u>	<u>Date of Birth</u>
BRIANA HARRIS	11/3/1995
VICTORIA HARRIS	1/15/1997
KYLEIGH HARRIS	6/28/2004

In addition to the children of both settlors, BRANDON T. HARRIS has one living child, MADISON SANI, born January 29, 1996.

1.6. No Deceased Children. The settlors have no deceased children.

1.7. Definitions of Child, Children, and Issue. As used in this instrument, the terms "child" and "children" refer to natural children and to children who have been legally adopted during minority by the parent or parents from or through whom their right to inherit or to take is determined or derived, and the term "issue" refers to all lineal descendants of all generations, with the relationship of parent and child at each generation being determined by the definitions of "child" and "children" set forth in this instrument. The intention of the settlors is to include in the definitions of "child" and "children" the currently living child of BRANDON T. HARRIS who is not a child of both of the settlors, but to exclude from the definitions of "child" and "children" any child born after the date of execution of this trust instrument who is not a child of both settlors. It is also the settlors' intention to include in the definition of "issue" any issue of any of the currently living child of BRANDON T. HARRIS who is not a child of both settlors, but to exclude the issue of any child born after the date of execution of this trust instrument who is not a child of both settlors.

ARTICLE TWO
TRUST ESTATE

2.1. Definition of Trust Estate. All property subject to this instrument from time to time is referred to as the "trust estate" and shall be held, administered, and distributed as provided in this instrument. The trustee shall hold, administer, and distribute the property described in any schedules of property (which are attached hereto and made a part of this trust instrument), any other property that may be hereafter subject to this trust, and the income and proceeds attributable to all such property, in accordance with the provisions of this instrument.

2.2. Character of Trust Assets. All community property of the settlors transferred to this trust, and the proceeds of all such property, shall continue to be community property under the laws of California, subject to the provisions of this instrument. All separate and quasi-community property shall remain the separate or quasi-community property, respectively, of the contributing settlor.

2.3. Nonprobate Transfers of Community Property. The consent of the settlors to the transfer of any community property assets subject to this trust shall be governed solely by the terms of this trust instrument. California Probate Code Sections 5010 through 5032 (or any successor sections), dealing with nonprobate transfers of community property, shall

be inapplicable to any trust created by this instrument.

2.4. Additions to Trust. From time to time, the trustee may accept additions to this trust from any source. All such additions shall become part of the trust estate and shall be held, administered, and distributed in accordance with the terms of this instrument. That additional property shall become part of the trust estate on written acceptance of it by the trustee. Any additions to the trust shall be made by designating in writing the property to be added. However, the titling of any account, deed, or similar asset in the name of the trustee, as trustee of this trust, or any alternate or successor trustee acting under this instrument, shall be deemed to be a transfer to this trust. Any designation by a third party, whether by will, deed, account title designation, or similar transfer, shall also be a transfer to the trust estate.

ARTICLE THREE RIGHTS AND POWERS OF SETTLORS

3.1. Power of Revocation While Both Settlers Are Living. During the joint lifetimes of the settlers, any trust created by this instrument may be revoked or terminated, in whole or in part, by either settlor as to any separate and quasi-community property of that settlor and any community property of the settlers. Any trust created by this instrument may be modified or amended by either settlor acting alone as to any separate and quasi-community property of that settlor, and by both settlers acting jointly as to any community property of the settlers.

3.2. Power of Revocation and Amendment After Death of Deceased Settlor. After the death of the deceased settlor, the surviving settlor may at any time amend, revoke, or terminate, in whole or in part, any trust created by this instrument other than the Disclaimer Trust, which shall be irrevocable and not subject to amendment. After the death of the surviving settlor, none of the trusts created by this instrument may be amended, revoked, or terminated.

3.3. Method of Revocation or Amendment. Any amendment, revocation, or termination of any trust created by this instrument shall be made by written instrument signed by both settlers or by the settlor making the revocation, amendment, or termination, and delivered to the trustee. If the instrument making the revocation, amendment, or termination is signed by only one settlor and the other settlor is living at that time, a copy of

the instrument making the amendment, revocation, or termination shall also be delivered to the other settlor. An exercise of the power of amendment substantially affecting the duties, rights, and liabilities of the trustee shall be effective only if agreed to by the trustee in writing. The written instrument for revocation or termination must specify that a revocation or termination of trust is intended and specify the property that is affected; a change in title or possession is not sufficient for revocation or termination.

3.4. Delivery of Property After Revocation. After any revocation or termination with respect to community property, the trustee shall promptly deliver the designated property to the settlors. Unless otherwise provided in the revocation or this trust instrument, any community property so returned shall continue to be the community property of the settlors. After any revocation or termination with respect to separate or quasi-community property, the trustee shall promptly deliver the designated property to the contributing settlor.

3.5. Trustee's Retention of Assets on Revocation. In the event of any revocation of all or part of the trust, the trustee shall be entitled to retain sufficient assets to reasonably secure the payment of liabilities the trustee has lawfully incurred in administering the trust and any fees that have been earned by the trustee, until such time as those liabilities have been discharged and fees paid, unless the settlors indemnify the trustee against loss or expense.

3.6. Exercise of Rights and Powers of Settlers By Others. Any right or power that either settlor could exercise personally under the terms of this instrument, including any power to amend, revoke, or terminate any trust created by this instrument, may be exercised for and in behalf of that settlor by any attorney in fact who, at the time of the exercise, is duly appointed and acting for that settlor under a valid and enforceable durable power of attorney executed by that settlor under the Uniform Durable Power of Attorney Act, or any successor statute, or, if there is no such attorney in fact, by a duly appointed and acting conservator of that settlor, after petition to the court in accordance with California Probate Code Section 2580, or any successor statute.

ARTICLE FOUR DISTRIBUTIONS DURING SETTLORS' JOINT LIVES

4.1. Payment of Income During Settlers' Joint Lives. So long as both settlors are

living, the trustee shall pay the net income of the trust as specified in this section.

(a) Community Property. The trustee shall pay to or apply for the benefit of the settlors, or either of them, all of the net income from the trust community property, in monthly or other convenient installments (but not less often than annually) as the settlors, or either of them, and the trustee may agree on from time to time.

(b) Separate and Quasi-Community Property. The trustee shall pay to or apply for the benefit of a settlor whose separate property or quasi-community property comprises part of the trust estate all of the net income from that property, in monthly or other convenient installments (but not less often than annually) as that settlor and the trustee may agree on from time to time.

4.2. Distributions of Principal During Settlor's Joint Lives. So long as both settlors are living, the trustee shall distribute principal of the trust, at any time or times, as specified in this section.

(a) Community Property. The trustee shall distribute to or apply for the benefit of the settlors, or either of them, as much of the principal of the community property of the trust as the trustee, in the trustee's discretion, deems necessary for the comfort, welfare, and happiness of the settlors, or either of them.

(b) Separate and Quasi-Community Property. The trustee shall distribute to or apply for the benefit of either settlor as much of the principal of the separate and quasi-community property of that settlor as the trustee, in the trustee's discretion, deems proper for the comfort, welfare, and happiness of that settlor.

(c) Consideration of Other Resources When Distributing Principal. In exercising discretion under subsections (a) and (b), the trustee shall give the consideration that the trustee deems proper to all other income and resources then readily available for use by the settlor or settlors, as the case may be, for the stated purposes and that are then known to the trustee. All decisions of the trustee regarding such payments, if any, are within the trustee's discretion and shall be final and incontestable by anyone.

4.3. Distributions of Principal at Request of Settlor. So long as both settlors are living, the settlors shall have the right to withdraw principal of the trust, at any time or times, as specified in this section.

(a) Community Property. The trustee shall distribute to the settlors, or either of them, such amounts from the principal of the community property of the trust, up to the whole thereof, as the settlors, or either of them, may request of the trustee in writing.

(b) Separate and Quasi-Community Property. The trustee shall distribute to a settlor whose separate or quasi-community property comprises part of the trust estate as much of the principal of that property, up to the whole thereof, as that settlor may request of the trustee in writing.

4.4. Settlors' Obligation for Community Property Distributed. Any payment of income or principal from the trust community property to or for the benefit of the settlors, or either of them, shall remain the community property of the settlors. A settlor who receives any such payment shall have the same obligations respecting that property that he or she would have with respect to all community property generally.

4.5. Requests in Behalf of a Settlor Unable to Do So Personally. If, at any time, either settlor is unable personally to make a request of the trustee to withdraw principal of the trust, that settlor's right to make the request may be exercised for or in behalf of that settlor by an attorney in fact who, at the time of the exercise, is duly appointed and acting for that settlor under a valid and enforceable durable power of attorney executed by the settlor under the Uniform Durable Power of Attorney Act, or any successor statute. If there is no such attorney in fact, then the trustee shall have the discretion to make any principal distribution to or for the benefit of that settlor that the settlor could have requested personally if he or she were able to do so. In making any principal distribution under this section (whether pursuant to a request by an attorney in fact or not), the trustee shall pay as much of the principal as the trustee, in the trustee's discretion, deems necessary for that settlor's health, education, support, and maintenance. The trustee shall have discretion to determine when a settlor is unable personally to request principal payments from the trustee for purposes of this section.

ARTICLE FIVE
DISTRIBUTIONS AFTER DECEASED SETTLOR'S DEATH

5.1. Special Cash Gift if BRANDON T. HARRIS Is Deceased Settlor. If BRANDON T. HARRIS is the deceased settlor, on his death, the trustee shall distribute ten percent (10%) of BRANDON T. HARRIS's life insurance proceeds to MADISON SANI, BRANDON T. HARRIS' daughter, if she survives BRANDON T. HARRIS, and if she does not survive BRANDON T. HARRIS, the gift that was to have been distributed to that donee shall lapse.

5.2. Special Gift of Personal Property if BRANDON T. HARRIS Is Deceased Settlor. If BRANDON T. HARRIS is the deceased settlor, on his death, the trustee shall distribute Katana - sword to JULIO TORIBIO, BRANDON T. HARRIS' friend, if the donee survives the settlor, and if the donee does not survive the settlor, this gift shall lapse. If this property is not in the trust on the date of the settlor's death, this gift shall lapse.

5.3. Payment of Estate Taxes, Debts, and Expenses on Statement From Personal Representative. After the deceased settlor's death, on receipt by the trustee of a written statement from the personal representative of the deceased settlor's estate requesting that the trustee pay Estate Taxes, debts, and expenses (as defined in Article Eight), with respect to any property in the deceased settlor's estate, the trustee shall pay, either directly or to the personal representative, any amounts requested by the personal representative for those purposes, in the manner specified below. The trustee may rely on the personal representative's statement and shall not be liable for any act or omission by the personal representative in protesting or failing to protest the legality, propriety, or amount of the Estate Taxes, debts, or expenses. If there is no personal representative, the trustee shall make the payments directly. Payments of debts and expenses shall be made by the trustee from the trust estate. However, payments of debts and expenses shall be made only out of (1) the deceased settlor's separate property, if any, (2) the deceased settlor's one-half (1/2) interest in the settlors' community property, and (3) the deceased settlor's one-half (1/2) interest in the deceased settlor's quasi-community property, and shall not be made from the surviving settlor's property. All Estate Taxes payable by reason of the deceased settlor's death shall be prorated and apportioned among the persons interested in the deceased settlor's estate as provided in the California Probate Code. Any Estate Taxes attributable to any property passing to the surviving settlor that qualifies for the federal estate tax marital deduction shall be paid prorata out of property that does not qualify for the federal estate tax marital deduction, so that the property qualifying for the federal estate tax marital deduction shall pass to the surviving settlor free of any Estate Taxes. The trustee shall not pay Estate Taxes, debts, and expenses or other obligations of the deceased settlor or the deceased settlor's estate from proceeds of insurance policies on the deceased settlor's life if making those payments would be the sole cause of the proceeds being includable in the deceased settlor's gross estate for federal estate tax purposes.

5.4. Trustee's Power to Defer Division or Distribution. Whenever the trustee is

directed to divide any part of the trust estate or distribute trust assets on the death of either settlor, the trustee may, in the trustee's discretion, defer actual division or distribution for such reasonable period of time as is needed to effectively identify, take possession of, value, divide, and distribute the assets of the trust. During this time of deferral, the trustee may manage the trust assets through a single administrative trust. The ability of the trustee to delay division or distribution shall not affect the vesting of interests, which shall be as of the date of death.

5.5. Trust Estate Allocated to Power of Appointment Trust. On the deceased settlor's death, the remaining trust estate shall be held, administered, and distributed according to the terms of the Power of Appointment Trust, as set forth in Article Six.

5.6. Intention That Disposition Be Eligible for Marital Deduction. The settlors intend that the disposition of the trust estate set forth in the preceding section (to the extent that it provides for disposition of the deceased settlor's property) be eligible for the federal estate tax marital deduction, and this instrument shall be construed accordingly.

5.7. Disclaimer of Property. Any property or portion of property that is disclaimed by the surviving settlor shall be held, administered, or distributed according to the terms of the Disclaimer Trust, as set forth in Article Six.

ARTICLE SIX
DISPOSITIVE PROVISIONS OF TRUSTS CREATED
AFTER DECEASED SETTLOR'S DEATH

6.1. Power of Appointment Trust. The trustee shall hold, administer, and distribute the assets of the Power of Appointment Trust as follows:

(a) Payment of Income. The trustee shall pay to or apply for the benefit of the surviving settlor, so long as the surviving settlor lives, the entire net income of the trust, in monthly or other convenient installments agreed on by the surviving settlor and the trustee, but not less often than annually. In determining the net income of the trust distributable to the surviving settlor, the trustee shall include all income that must be considered as income in order for the trust to qualify for the marital deduction under the federal estate tax law, and shall make no deductions from gross income that would prevent the trust from qualifying for that marital deduction, notwithstanding any contrary provisions of this instrument or any applicable provisions of state law. It is the intention of the settlors that the surviving settlor, as the beneficiary of a marital deduction trust, shall have substantially that degree of beneficial enjoyment of the trust during his or her lifetime that the principles

of the law of trusts accord to a person who is unqualifiedly designated as the life beneficiary of a trust, and the trustee shall not exercise the trustee's discretion in a manner that is not in accord with this expressed intention. It is also the intention of the settlors that the trust produce for the surviving settlor during his or her lifetime the income, or that the surviving settlor shall have the benefit of the trust property, as is consistent with the value of the trust property and with its preservation.

(b) Discretionary Payment of Principal by Trustee. At any time or times during the trust term, the trustee shall pay to or apply for the benefit of the surviving settlor so much of the principal of the trust as the trustee deems proper for the comfort, welfare, and happiness of the surviving settlor. In exercising discretion, the trustee shall give the consideration that the trustee deems proper to all other income and resources that are then known to the trustee and that are readily available to the surviving settlor. All decisions of the trustee regarding payments under this subsection, if any, are within the trustee's discretion and shall be final and incontestable by anyone.

(c) Right of Surviving Settlor to Withdraw Principal. The trustee shall pay to the surviving settlor as much of the trust principal as the surviving settlor may from time to time demand in a signed writing delivered to the trustee.

(d) General Power of Appointment. On the death of the surviving settlor, the trustee shall distribute all property subject to the trust (including the trust principal, all net income then held by the trustee, and all income then accrued but not collected by the trustee) to any entity or entities, person or persons, and on any trust, terms and conditions, or to or in favor of the estate of the surviving settlor, as the surviving settlor may direct by will, but only if that will expressly refers to and indicates an intention to exercise this power of appointment. The trustee may rely on any instrument admitted to probate (or in any summary administration proceeding) as the last will of the surviving settlor in carrying out the terms of the power of appointment and shall not be liable for any good-faith act in reliance on that will, even if for any reason it is later determined to be invalid with respect to its purported exercise of this power of appointment. If no such probate or summary estate proceeding is otherwise required or instituted, the trustee may rely on any will that on its face appears to be the last validly executed will of the surviving settlor. If the trustee receives no notice of the existence of a will of the surviving settlor within six (6) months after the death of the surviving settlor the trustee may distribute the trust assets and income as though this power of appointment had not been exercised and shall in that event be conclusively presumed to have acted in good faith, even if a valid will is thereafter discovered.

(e) Payment of Taxes, Debts and Expenses. On the death of the surviving settlor and subject to any power of appointment exercised by him or her, the trustee, in the trustee's discretion, may pay out of the income or principal (or partly from each) of the Power of Appointment Trust the taxes, debts and

expenses (as defined in Article Eight) arising on the death of the surviving settlor unless the trustee determines that other adequate provisions have been made for the payment of these taxes, debts and expenses.

(f) Payment of Federal Estate Taxes. The trustee shall determine from the personal representative of the estate of the surviving settlor the amount of the federal estate tax allocable to the property of the trust by reason of Internal Revenue Code Section 2207 and shall set aside a portion of the trust principal for the purpose of paying that tax upon written demand of the personal representative.

(g) Special Gift of Personal Property if BRANDON T. HARRIS Is Surviving Settlor. If BRANDON T. HARRIS is the surviving settlor, then on the death of BRANDON T. HARRIS the trustee shall distribute from the Power of Appointment Trust the tangible personal property listed in Section 5.2 to the person named in Section 5.2 as the recipient of that property, if the property has not otherwise been disposed of by the surviving settlor during his lifetime or appointed to another recipient under the surviving settlor's general power of appointment over the assets in the Power of Appointment Trust. The tangible personal property specified in Section 5.2 shall not be deemed to have been appointed to another recipient under the surviving settlor's general power of appointment over the assets of the Power of Appointment Trust unless the instrument exercising that power of appointment specifically states that the power is being exercised as to the tangible personal property specified in Section 5.2. A general exercise of the power as to "all assets in the Power of Appointment Trust," or language of similar import, shall not be sufficient to exercise the power as to the tangible personal property specified in Section 5.2. If the tangible personal property described in Section 5.2 is not in the Power of Appointment Trust on the death of BRANDON T. HARRIS, the gift of that property shall lapse.

(h) Default Provision. If any of the property subject to the power of appointment of the surviving settlor is not effectively appointed by him or her, that property, after payment of any taxes, debts, and expenses pursuant to the applicable provisions of this instrument, shall be distributed in the manner specified in Section 6.3 applicable to the remainder provisions of the Disclaimer Trust.

6.2. Disposition of Disclaimer Trust Until Death of Surviving Settlor. During the lifetime of the surviving settlor, the trustee shall hold, administer, and distribute the assets of the Disclaimer Trust as follows:

(a) Payment of Income. The trustee shall pay to or apply for the benefit of the surviving settlor the entire net income of the trust, in monthly or other convenient installments as agreed on by the surviving settlor and the trustee, but not less often than annually.

(b) Discretionary Payment of Principal by Trustee. At any time or times during the trust term, the trustee shall pay to or apply for the benefit of the surviving settlor so much of the principal of the trust as the trustee deems proper to pay the reasonable expenses of the surviving settlor for his or her health, education, support, and maintenance. In exercising discretion, the trustee shall give the consideration that the trustee deems proper to all other income and resources that are known to the trustee and that are readily available to the surviving settlor for use for these purposes. All decisions of the trustee regarding payments under this subsection, if any, are within the trustee's discretion and shall be final and incontestable by anyone.

6.3. Disposition of Disclaimer Trust on Death of Surviving Settlor. On the death of the surviving settlor, the trustee shall divide the assets of the Disclaimer Trust into shares in the following manner:

(a) A share of thirty (30) percent of the total trust property for BRIANA HARRIS ("BRIANA") if she survives the surviving settlor or, if she does not survive the surviving settlor but leaves issue who survive the surviving settlor, for that child's issue.

(b) A share of ten (10) percent of the total trust property for MADISON SANI ("MADISON") if she survives the surviving settlor or, if she does not survive the surviving settlor but leaves issue who survive the surviving settlor, for that child's issue.

(c) A share of thirty (30) percent of the total trust property for VICTORIA HARRIS ("VICTORIA") if she survives the surviving settlor or, if she does not survive the surviving settlor but leaves issue who survive the surviving settlor, for that child's issue.

(d) A share of thirty (30) percent of the total trust property for KYLEIGH HARRIS ("KYLEIGH") if he survives the surviving settlor or, if he does not survive the surviving settlor but leaves issue who survive the surviving settlor, for that child's issue.

(e) If any child identified above predeceases the surviving settlor without leaving issue who survive the surviving settlor, the trustee shall divide the trust property into shares for the remaining children and issue who survive the surviving settlor in proportion to the respective interests of the remaining shares in the trust assets.

(f) If MADISON SANI ("MADISON") survives the surviving settlor, the share created for that child shall be distributed outright to her if she has reached the age of eighteen (18) years at the time of the death of the surviving settlor. If MADISON survives the surviving settlor but has not reached the age of 18 years at that time, the share shall be held, administered, and distributed by the trustee, in trust, according to the terms set forth in this

Article Six applicable to the Trust for MADISON.

(g) Each share (if any) created for a child identified above, other than MADISON SANI, who survives the surviving settlor shall be distributed outright to that child if that child has reached the age of twenty-five (25) years at the time of the surviving settlor's death. If the child has not reached the age of 25 years at that time, the share created for the child shall be held, administered, and distributed by the trustee in a separate trust according to the terms set forth in this Article Six applicable to the Separate Share Trust.

(h) Each share (if any) created for the issue of a deceased child shall be divided among the then-living issue of that child in the manner provided in California Probate Code Section 240, as defined in the Article entitled "Concluding Provisions" of this instrument, with each individual issue receiving his or her portion of the share outright if he or she has reached the age of 25 years at the time of the surviving settlor's death, or if he or she is under the age of 25 years at that time, the individual issue's portion of the share shall be held, administered, and distributed by the trustee in a separate trust for that individual issue according to the terms set forth in Article Six applicable to the Separate Share Trust for Issue.

(i) If none of the beneficiaries identified above are alive at the surviving settlor's death, and if none of the beneficiaries identified above leave issue who are alive at the surviving settlor's death, the trust property shall be distributed outright as follows: one half (1/2) to the heirs of the deceased settlor and one half (1/2) to the heirs of the surviving settlor.

6.4. Trust for MADISON. The trustee shall hold, administer, and distribute the Trust for MADISON as follows:

(a) Discretionary Payments of Income. At any time or times during the trust term, the trustee shall pay to or apply for the benefit of MADISON as much of the net income of the trust as the trustee deems proper for MADISON's health, education, support, and maintenance. In exercising discretion, the trustee shall give the consideration that the trustee deems proper to all other income and resources that are known to the trustee and that are readily available to MADISON for use for these purposes. All decisions of the trustee regarding payments under this subsection, if any, are within the trustee's discretion and shall be final and incontestable by anyone. The trustee shall accumulate and add to principal any net income not distributed.

(b) Termination of Trust. The trust shall terminate on MADISON reaching the age of eighteen (18) years or on her death, whichever occurs first. If the trust terminates on MADISON reaching the age of 18 years, the trustee shall distribute the trust property (including all income then accrued but uncollected and all net income then remaining in the hands of the trustee) to MADISON outright. The trust terminates on MADISON's death, and her share shall lapse.

(c) Final Disposition. If the trust property is not completely disposed of by the preceding provisions, the undisposed-of portion shall be distributed outright as follows: one half (1/2) to the heirs of the deceased settlor and one half (1/2) to the heirs of the surviving settlor.

6.5. Separate Share Trust. Each share allocated to the Separate Share Trust for the benefit of a child of the settlors under the age of twenty-five (25) years shall be held, administered, and distributed as a separate trust, as follows:

(a) Discretionary Payments. At any time or times during the trust term, the trustee shall pay to or apply for the benefit of the child as much, or all, of the net income and principal of the trust as the trustee deems proper for the child's health, education, support, and maintenance. In exercising discretion, the trustee shall give the consideration that the trustee deems proper to all other income and resources that are known to the trustee and that are readily available to the child for use for these purposes. All decisions of the trustee regarding payments under this subsection, if any, are within the trustee's discretion and shall be final and incontestable by anyone. The trustee shall accumulate and add to principal any net income not distributed.

(b) Distribution on Termination. The trust shall terminate on the child reaching 25 years of age or on the death of the child, whichever occurs first. If the trust terminates on the child reaching 25 years of age, the trustee shall distribute the trust property (including all income then accrued but uncollected and all net income then remaining in the hands of the trustee) to the child outright. If the trust terminates on the death of the child and the child has issue then living, the trustee shall distribute the trust property to the then-living issue of the child in the manner provided in California Probate Code Section 240, as defined in the Article entitled "Concluding Provisions" of this instrument, or if the child leaves no then-living issue, to the settlors' then-living issue in the manner provided in California Probate Code Section 240, as defined in the Article entitled "Concluding Provisions" of this instrument. However, if an individual issue has not reached the age of 25 years at the death of the child for whom this trust was created, that issue's share shall be held, administered, and distributed by the trustee in a separate trust for that issue according to the terms set forth in Article Six applicable to the Separate Share Trust for Issue.

(c) Final Disposition. If the trust property is not completely disposed of by the preceding provisions, the undisposed-of portion shall be distributed outright as follows: one half (1/2) to the heirs of the deceased settlor and one half (1/2) to the heirs of the surviving settlor.

6.6. Separate Share Trust for Issue. Each portion or share of the trust estate, or of the trust property of any other trust created by this trust instrument, that is allocated to a

Separate Share Trust for Issue for the benefit of the beneficiary (as defined in subsection (a), below) when that beneficiary is under the age of twenty-five (25) years shall be held, administered, and distributed by the trustee as a separate trust, as follows:

- (a) Beneficiary. The beneficiary of this trust is the individual issue of a deceased child of the settlors or the individual issue of the settlors, as the case may be, for whom this trust is created pursuant to the other provisions of this trust instrument.
- (b) Discretionary Payments. At any time or times during the trust term, the trustee shall pay to or apply for the benefit of the beneficiary as much of the net income and principal of the trust as the trustee deems proper for that beneficiary's health, education, support, and maintenance. In exercising discretion, the trustee shall give the consideration that the trustee deems proper to all other income and resources that are known to the trustee and that are readily available to the beneficiary for use for these purposes. All decisions of the trustee regarding payments under this subsection, if any, are within the trustee's discretion and shall be final and incontestable by anyone. The trustee shall accumulate and add to principal any net income not distributed.
- (c) Distribution on Termination. The trust shall terminate on the beneficiary reaching 25 years of age or on the death of the beneficiary, whichever occurs first. If the trust terminates on the beneficiary reaching 25 years of age, the trustee shall distribute the trust property (including all income then accrued but uncollected and all net income then remaining in the hands of the trustee) to the beneficiary outright. If the trust terminates on the death of the beneficiary, the trustee shall distribute the trust property to the then-living issue of the beneficiary in the manner provided in California Probate Code Section 240, as defined in the Article entitled "Concluding Provisions" of this instrument; or if the beneficiary has no issue then living, to the then-living issue of that deceased child who is the ancestor of the beneficiary, with those issue taking in the manner provided in California Probate Code Section 240, as defined in the Article entitled "Concluding Provisions" of this instrument; or if there is no such issue, to the settlors' then-living issue in the manner provided in California Probate Code Section 240, as defined in the Article entitled "Concluding Provisions" of this instrument. However, for any share of an issue for whose benefit there is a trust being administered under this instrument, such share shall be added to that trust and administered according to its terms.
- (d) Final Disposition. If the trust property is not completely disposed of by the preceding provisions, the undisposed-of portion shall be distributed outright as follows: one half (1/2) to the heirs of the deceased settlor and one half (1/2) to the heirs of the surviving settlor.

6.7. Spendthrift Clause. The interests of the beneficiaries under this instrument are

not transferable by voluntary or involuntary assignment or by operation of law, and shall be free from the claims of creditors and from attachment, execution, bankruptcy, and other legal process, to the maximum extent permitted by law. If any such transfer is made or attempted by or against any beneficiary, all further trust payments of income or principal or both to that beneficiary (and any right of that beneficiary to such payments) shall be suspended for a period of time or indefinitely (but in no case for longer than the term of the trust) as the trustee determines. In lieu of payments to that beneficiary, the trustee may apply so much of the trust income or principal or both to which the beneficiary would otherwise be entitled as the trustee deems necessary for the beneficiary's education and support. All trust income (to which the beneficiary would otherwise be entitled) not so applied shall in the discretion of the trustee be accumulated and added to trust principal at such time or times as the trustee deems proper. Notwithstanding anything to the contrary in this section of this instrument, the surviving settlor shall be paid all income to which he or she is entitled under the Power of Appointment Trust.

ARTICLE SEVEN TRUSTEE

7.1. Settlors' Power to Designate Successor Trustees. At any time while both settlors are living, the settlors may designate either or both of the following:

- (a) Any suitable person or entity to act as a successor cotrustee if either cotrustee dies, becomes incapacitated, or is otherwise unable or unwilling to continue to act as a cotrustee.
- (b) One or more suitable persons or entities to act as a successor trustee, or as successor cotrustees, if both cotrustees die, become incapacitated, or are otherwise unable or unwilling to continue to act as cotrustees.

The powers specified in this section shall be exercisable only by both settlors acting jointly, unless one of the settlors is incapacitated or otherwise incapable of exercising this power, in which case the power may be exercised by the remaining settlor acting alone. Any designation under this section shall be made by a signed writing delivered to the person or entity designated as successor trustee or cotrustee. If more than one designation is made under this section, only the most recent designation shall be valid.

7.2. Power of Surviving Joint Settlor to Designate Successor Trustees or Cotrustees.

Following the death of the deceased settlor, the surviving settlor may at any time designate one or more suitable persons or entities to act as trustee or cotrustees in the event that the trustee or any cotrustee dies, becomes incapacitated, or is otherwise unable or unwilling to continue to act as trustee. This designation shall be made by a signed writing delivered to the person or entity designated as successor. If more than one designation is made under this section, the most recent designation shall prevail over all earlier designations. The power granted by this section shall not apply to the Disclaimer Trust.

7.3. Appointment of New Cotrustee on Death or Incapacity of a Settlor. If, while both settlors are acting as cotrustees, either settlor dies, becomes incapacitated, or is otherwise unable or unwilling to continue to act as a cotrustee, and no successor cotrustee has been designated under any other provision of this trust instrument, MICHAEL ANN DAVI, Brandon T. Harris' mother, who resides at 1320 Jacks Road, Monterey, CA, shall be successor cotrustee.

7.4. Successor Trustees. If the office of trustee becomes vacant by reason of death, incapacity, or any other reason, and no successor trustee or cotrustees have been designated under any other provision of this trust instrument, a new trustee or cotrustee shall be designated by a majority vote of the adult beneficiaries of the trust who are then entitled to receive income under the trust, or who would be entitled to receive a distribution of principal from the trust if the trust were then terminating, and who then have the legal capacity to give such a vote. If a majority of the beneficiaries are unable to agree on a person or entity to serve as cotrustee, a new cotrustee shall be appointed by the court.

7.5. Trustee for Separate Share Trust for Child. Notwithstanding any other provision regarding trustees in this instrument, each child of the settlor for whom a separate share trust is being administered under this trust instrument may serve as a cotrustee of such trust upon attaining the age of 21 years. Furthermore, upon attaining the age of 23 years, each child may serve as the sole trustee of the separate share for that child. The child may assume the position as cotrustee or trustee either by succeeding to the office if it is vacant at that time or by giving written notice to any other trustee serving at that time. If at any later time the child or the other cotrustee of the trust for the child is unable or unwilling to continue to serve for any reason, the other provisions regarding successor trustees in this instrument shall apply.

7.6. Definition of Trustee. Reference in this instrument to "the trustee" shall be

deemed a reference to whoever is serving as trustee or cotrustees, and shall include alternate or successor trustees or cotrustees, unless the context requires otherwise.

7.7. Removal and Replacement of Trustee by Settlers. While both settlers are alive, the settlers shall have the power, at any time and for any reason, with or without cause, to remove any trustee acting under this instrument, and notwithstanding any other provision of this instrument, designate another trustee to replace the removed trustee. Removal shall be effected by giving a written notice of removal to the trustee to be removed and to the designated successor. The removal shall become effective on the delivery to the settlers of a written acceptance of the trust by the successor trustee, and the settlers shall promptly notify the trustee being removed of the receipt of that acceptance.

7.8. Bond Waived for Settlor Serving as Trustee Only. No bond or undertaking shall be required of a settlor who serves as trustee. Bond shall be required of each other individual serving as a trustee under this instrument, in the same manner as is required of a personal representative of a decedent's estate. This requirement may not be waived by the trust beneficiaries.

7.9. Compensation of Individual Trustees. Each individual who is a trustee under this instrument shall be entitled to reasonable compensation for services rendered, payable without court order.

7.10. Procedure for Resignation. Any trustee may resign at any time, without giving a reason for the resignation, by giving written notice, at least thirty (30) days before the time the resignation is to take effect, to the settlers, if living, to any other trustee then acting, to any persons authorized to designate a successor trustee, to all trust beneficiaries known to the trustee (or, in the case of a minor beneficiary, to the parent or guardian of that beneficiary) and to the successor trustee. A resignation shall be effective on written acceptance of the trust by the successor trustee.

7.11. General Powers of Trustee. To carry out the purposes of the trusts created under this instrument, and subject to any limitations stated elsewhere in this instrument, the trustee shall have all of the following powers, in addition to all of the powers now or hereafter conferred on trustees by law:

- (a) With or without court authorization, sell (for cash or on deferred payments, and with or without security), convey, exchange, partition, and divide trust property; grant options for the sale or exchange of trust property for any purpose, whether the contract is to be performed or the option is to

be exercised within or beyond the term of the trust; and lease trust property for any purpose, for terms within or extending beyond the expiration of the trust, regardless of whether the leased property is commercial or residential and regardless of the number of units leased.

- (b) Engage in any transactions with the personal representative of the estate of either settlor that are in the best interest of any trusts created in this instrument.
- (c) Manage, control, improve, and maintain all real and personal trust property.
- (d) Subdivide or develop land; make or obtain the vacation of plats and adjust boundaries, or adjust differences in valuation on exchange or partition by giving or receiving consideration; and dedicate land or easements to public use with or without consideration.
- (e) Make ordinary or extraordinary repairs or alterations in buildings or other trust property, demolish any improvements, raze existing party walls or buildings, and erect new party walls or buildings, as the trustee deems advisable.
- (f) Employ and discharge agents and employees, including but not limited to attorneys, accountants, investment and other advisers, custodians of assets, property managers, real estate agents and brokers, and appraisers, to advise and assist the trustee in the management of any trusts created under this trust instrument, and compensate them from the trust property.
- (g) With respect to securities held in trust, exercise all the rights, powers, and privileges of an owner, including, but not limited to, the power to vote, give proxies, and pay assessments and other sums deemed by the trustee necessary for the protection of the trust property; participate in voting trusts, pooling agreements, foreclosures, reorganizations, consolidations, mergers, and liquidations, and, in connection therewith, deposit securities with and transfer title to any protective or other committee under such terms as the trustee deems advisable; exercise or sell stock subscription or conversion rights; and accept and retain as investments of the trust any securities or other property received through the exercise of any of the foregoing powers.
- (h) Hold securities or other trust property in the trustee's own name or in the name of a nominee, with or without disclosure of the trust, or in unregistered form, so that title may pass by delivery.
- (i) Deposit securities in a securities depository that is either licensed or exempt from licensing.
- (j) Borrow money for any trust purpose from any person or entity, including one acting as trustee hereunder, on such terms and conditions as the trustee

deems advisable, and obligate the trust for repayment; encumber any trust property by mortgage, deed of trust, pledge, or otherwise, whether for terms within or extending beyond the term of the trust, as the trustee deems advisable, to secure repayment of any such loan; replace, renew, and extend any such loan or encumbrance; and pay loans or other obligations of the trust deemed advisable by the trustee.

(k) Procure and carry, at the expense of the trust, insurance in such forms and in such amounts as the trustee deems advisable to protect the trust property against damage or loss, and to protect the trustee against liability with respect to third persons.

(l) Enforce any obligation owing to the trust, including any obligation secured by a deed of trust, mortgage, or pledge held as trust property, and purchase any property subject to a security instrument held as trust property at any sale under the instrument.

(m) Extend the time for payment of any note or other obligation held as an asset of, and owing to, the trust, including accrued or future interest, and extend the time for repayment beyond the term of the trust.

(n) Pay or contest any claim against the trust; release or prosecute any claim in favor of the trust; or, in lieu of payment, contest, release, or prosecution, adjust, compromise, or settle any such claim, in whole or in part, and with or without consideration.

(o) At trust expense, prosecute or defend actions, claims, or proceedings of whatever kind for the protection of the trust property and of the trustee in the performance of the trustee's duties, and employ and compensate attorneys, advisers, and other agents as the trustee deems advisable.

7.12. Power to Retain Trust Property. The trustee shall have the power to retain property received into the trust at its inception or later added to the trust, as long as the trustee considers that retention in the best interests of the trust or in furtherance of the goals of the settlors in creating the trust, as determined from this trust instrument, but subject to the standards of the prudent investor rule as set forth in the California Uniform Prudent Investor Act, as amended from time to time.

7.13. Trustee's Power to Invest Property. Subject to the standards of the prudent investor rule as stated in the California Uniform Prudent Investor Act, as amended from time to time, the trustee shall have the power to invest and manage the trust assets as a prudent investor would, by considering the purposes, terms, distribution requirements, and other circumstances of the trust.

7.14. Power Over Unproductive Property. The trustee shall have the power to retain or acquire unproductive or underproductive property; provided, however, that as to any assets of the Power of Appointment Trust, the surviving settlor shall have the right, by delivery of a written instrument to the trustee, to require the trustee to make unproductive property productive, within a reasonable time following receipt of the request.

7.15. Power to Self-Deal. The trustee, acting as an individual or as a trustee of another trust not created by this trust instrument, shall have the power to perform the following acts with respect to the property of any trust under this trust instrument: purchase property from or sell property to the trust at fair market value; exchange property for trust property of equal value; lease property from or to the trust at fair rental value; lend or advance funds to the trust, with interest at then-prevailing rates, and receive security for the loans in any commercially reasonable form; and receive from any business in which the trust has an interest a reasonable salary and reimbursement of expenses while performing duties as a trustee. The trustee, acting as trustee of another trust established by the settlors or another trust established for the benefit of any one or more of the beneficiaries of the trust, shall have the power to borrow funds from the trust with interest at then-prevailing rates, and give security for the loans in any commercially reasonable form.

7.16. Retention of Family Residence. The trustee shall retain, in any trust or trusts created by this trust instrument, any interest in real property used by the settlors as their principal residence at the time of the deceased settlor's death ("the family residence"), and shall deal with the family residence in accordance with the following terms and conditions:

(a) During his or her lifetime, the surviving settlor shall have the right to occupy the family residence (or any substitute residence or residential property purchased as provided in this section of the trust instrument) free of any rent.

(b) The trustee shall pay as much of the mortgage or trust deed payments, property taxes, assessments, insurance, maintenance, and ordinary repairs on the family residence (or any substitute residence or residential property purchased as provided in this section of the trust instrument) as corresponds to the trust's proportionate interest in the same. The trustee shall make those payments out of income or principal of the trust or trusts in accordance with the principles applicable to the charging of payments under California law, but in no event shall payment be made in a manner that disqualifies any part of the trust, that would otherwise so qualify, for the federal estate tax marital deduction.

(c) The surviving settlor, at his or her option, shall have the right to advise the trustee in writing that he or she no longer wishes to occupy the family residence and to direct the trustee to sell it, or any interest therein. In deciding on the terms and conditions relating to any sale, the trustee shall take into account all relevant factors, including, but not limited to, the intent of the settlors that no sale be made in a "forced sale" situation (other than at the direction of the surviving settlor) or at a time when, because of high mortgage rates or otherwise, the residential real estate market is depressed. In selling the family residence, the trustee may dispose of it on such terms as the trustee deems desirable, including an installment sale or any other desirable method of disposing of the family residence, provided that if the sale is for consideration other than cash, the purchaser's obligation shall be secured by a first deed of trust. In the event of a sale, the surviving settlor may direct the trustee in writing to apply the proceeds of the sale to the purchase of a substitute residence or residential property, of comparable or lesser value, to be selected by the surviving settlor, or to reinvest the proceeds in any manner that he or she may direct, provided that any such investments satisfy normal fiduciary standards of prudence and safety, and to use the income from reinvestment to pay the rental or lease payments on another residence or residential property, to be selected by the surviving settlor. Any net trust accounting income from any such investments, in excess of the trust share of the rental costs and any other expenses of trust administration, shall be added to the other trust income and distributed in accordance with the relevant provisions of the trust or trusts as set forth in Article Six of this trust instrument.

(d) On the death of the surviving settlor, the trust interest in either the family residence, any proceeds remaining from the sale of the family residence, or any substitute residence or residential property purchased by the trustee with any proceeds of sale of the family residence, shall be distributed in accordance with the applicable provisions of the trust or trusts in which the interest or interests are held, as set forth in Article Six of this trust instrument.

7.17. Power to Combine Trust Assets. Each trust created under this instrument shall constitute a separate trust and be administered accordingly; however, the assets of all of the trusts may be combined for bookkeeping purposes and held for the trust beneficiaries without physical division into separate trusts until time of distribution.

7.18. Early Termination of Trusts. The trustee shall have the power, in the trustee's discretion, to terminate any trust created under this trust instrument whenever the fair market value of the trust falls below thirty thousand dollars (\$30,000), or becomes so small in relation to the costs of administration as to make continuing administration uneconomical. Continuing administration shall be uneconomical if the trustee determines

that, with reference to the trust fee schedules then in effect for corporate fiduciaries in the area in which the trust is being administered, the trust would be subject to the minimum trust administration fees of those fiduciaries, regardless of the value of the trust. On termination, the trustee shall distribute the principal and any accrued or undistributed net income to the income beneficiaries in proportion to their shares of the income. If no fixed amount of income is payable to specific beneficiaries, the trustee shall distribute the principal and any accrued or undistributed net income in equal shares to those beneficiaries who would then be entitled to income payments from the trust.

7.19. Division or Distribution in Cash or Kind. In order to satisfy a pecuniary gift or to distribute or divide trust assets into shares or partial shares, the trustee may distribute or divide those assets in kind, or divide undivided interests in those assets, or sell all or any part of those assets and distribute or divide the property in cash, in kind, or partly in cash and partly in kind. Property distributed to satisfy a pecuniary gift under this instrument shall be valued at its fair market value at the time of distribution.

7.20. Payments to Legally Incapacitated Persons. If at any time any trust beneficiary is a minor, or it appears to the trustee that any trust beneficiary is incapacitated, incompetent, or for any other reason not able to receive payments or make intelligent or responsible use of the payments, then the trustee, in lieu of making direct payments to the trust beneficiary, may make payments to the beneficiary's conservator or guardian; to the beneficiary's custodian under the Uniform Gifts to Minors Act or Uniform Transfers to Minors Act of any state; to the beneficiary's custodian under the California Uniform Transfers to Minors Act until the beneficiary reaches the age of twenty-five (25); to one or more suitable persons as the trustee deems proper, such as a relative of or a person residing with the beneficiary, to be used for the beneficiary's benefit; to any other person, firm, or agency for services rendered or to be rendered for the beneficiary's assistance or benefit; or to accounts in the beneficiary's name with financial institutions. If there is no custodian then-serving or nominated to serve by the settlor for a beneficiary, the personal representative or trustee, as the case may be, shall designate the custodian. The receipt of payments by any of the foregoing shall constitute a sufficient acquittance of the trustee for all purposes.

7.21. Trustee's Liability. No trustee shall be liable to any interested party for acts or omissions of that trustee, except those resulting from that trustee's willful misconduct or

gross negligence. This standard shall also apply regarding a trustee's liability for the acts or omissions of any cotrustee, predecessor trustee, or agent employed by the trustee.

7.22. Written Notice to Trustee. Until the trustee receives written notice of any death or other event on which the right to payments from any trust may depend, the trustee shall incur no liability for disbursements made in good faith to persons whose interests may have been affected by that event.

7.23. Duty to Account. The trustee shall render accounts at least annually, at the termination of a trust, and on a change of trustees, to the persons and in the manner required by law. When a predecessor trustee has failed to render accounts as required under this provision, the successor trustee may, but need not, render accounts for such period with reasonable efforts without incurring any additional liability for acts of a predecessor trustee, other than as already provided under California law. This provision is intended to permit the successor trustee to render accounts for the predecessor without creating any additional duty to investigate or to account. Nonetheless, if in the course of rendering accounts left undone by the predecessor trustee, the successor trustee obtains knowledge of a situation that may constitute a breach of trust committed by the predecessor trustee, the successor trustee shall deal with such knowledge in accordance with the successor trustee's fiduciary duties and powers.

7.24. Time Period For Objecting to Account. Upon receipt of an account by the trustee, a beneficiary has 180 days to make any objection to such account or to make any claim against the trustee for matters adequately disclosed in such account. The existence of this time period for objecting to an account shall be stated in the accounts rendered by the trustee in a separate paragraph on the face of the account in not less than 12-point boldface type as follows:

NOTICE TO BENEFICIARIES

YOU HAVE ONE HUNDRED EIGHTY (180) DAYS FROM YOUR RECEIPT OF THIS ACCOUNT OR REPORT TO MAKE AN OBJECTION OR OBJECTIONS TO ANY ITEM SET FORTH IN THIS ACCOUNT OR REPORT. ANY OBJECTION YOU MAKE MUST BE IN WRITING; IT MUST BE DELIVERED TO THE TRUSTEE WITHIN THE PERIOD STATED ABOVE; AND IT MUST STATE YOUR OBJECTION. YOUR FAILURE TO DELIVER A WRITTEN OBJECTION TO THE TRUSTEE WITHIN THE TIME PERIOD STATED ABOVE WILL PERMANENTLY PREVENT YOU FROM LATER ASSERTING

THIS OBJECTION AGAINST THE TRUSTEE. IF YOU DO MAKE AN OBJECTION TO THE TRUSTEE, THE THREE YEAR PERIOD PROVIDED IN SECTION 16460 OF THE PROBATE CODE FOR COMMENCEMENT OF LITIGATION WILL APPLY TO CLAIMS BASED ON YOUR OBJECTION AND WILL BEGIN TO RUN ON THE DATE THAT YOU RECEIVE THIS ACCOUNT OR REPORT.

7.25. Prohibited Disclosures Upon Incapacity of the Surviving Settlor. If the surviving settlor becomes incapacitated, the trustee shall account only to the surviving settlor, any person who may be acting as conservator of the estate of the surviving settlor and any person who may be acting as agent under the surviving settlor's durable power of attorney for property management, and in no event shall any such accounting be delivered to any issue of the surviving settlor (unless such person shall then be acting as conservator of the estate of the surviving settlor or as agent under the surviving settlor's durable power of attorney for property management) or to any other person who might otherwise be or become a beneficiary under this trust. Regardless of whether the surviving settlor becomes incapacitated, the trustee shall not provide a copy of this instrument or any amendment hereto to any person other than the surviving settlor, any person who may be acting as conservator of the estate of the surviving settlor, and any person who may be acting as agent under the surviving settlor's durable power of attorney for property management.

7.26. Cotrustee May Delegate Acts to Other Cotrustee. Any cotrustee may, from time to time, delegate to the other cotrustee routine acts of trust administration and may establish bank or other accounts for the trust that will honor the signature of one or of either cotrustee.

ARTICLE EIGHT CONCLUDING PROVISIONS

8.1. Perpetuities Savings Clause. Notwithstanding any other provision of this instrument, every trust created by this instrument or by the exercise of any power of appointment created by this instrument shall terminate no later than twenty-one (21) years after the death of the last survivor of the settlors and their issue who are alive at the creation of the trust. For purposes of this perpetuities savings clause, a trust shall be deemed to have been created on the date the trust becomes irrevocable or the date of the death of the surviving settlor, whichever occurs first. If a trust is terminated under this section, the trustee shall distribute all of the principal and undistributed income of the trust to the

income beneficiaries of the trust in the proportion in which they are entitled (or eligible, in the case of discretionary payments) to receive income immediately before the termination. If that proportion is not fixed by the terms of the trust, the trustee shall distribute all of the trust property to the persons then entitled or eligible to receive income from the trust outright in a manner that, in the trustee's opinion, will give effect to the intent of the settlors in creating the trust. The trustee's decision is to be final and incontestable by anyone.

8.2. Simultaneous Death. If the settlors die under circumstances in which the order of their deaths cannot be established by clear and convincing evidence, each settlor shall be deemed to have survived the other, and this instrument shall be construed accordingly. If any beneficiary and either or both settlors die under circumstances in which the order of their deaths cannot be established by clear and convincing evidence, the settlor or settlors shall be deemed to have survived the beneficiary, and this instrument shall be construed accordingly.

8.3. Survivorship Requirement. For the purposes of this instrument, a beneficiary shall be deemed not to have survived a settlor if that beneficiary dies within three (3) days after that settlor's death.

8.4. No-Contest Clause. If any beneficiary under this instrument, singularly or in combination with any other person or persons, directly or indirectly contests this instrument or the wills of the settlors in whole or in part, or opposes, objects to, or seeks to invalidate any of the provisions of this instrument or the wills of the settlors, or seeks to succeed to any part of the estate of the settlors other than in the manner specified in this instrument or in the wills of the settlors, then the right of that person to take any interest given to him or her by this instrument shall be void, and any gift or other interest in the trust property to which the beneficiary would otherwise have been entitled shall pass as if he or she had predeceased the settlors without issue. Settlor's specifically exempt petitions under California Probate Code Sections 850 et seq. from the effect of this clause.

8.5. Definition of Deceased Settlor and Surviving Settlor. In this instrument, the first settlor to die is referred to as the "deceased settlor" and the other settlor is referred to as the "surviving settlor."

8.6. Definitions of Estate Taxes, Debts, and Expenses. As used in this instrument, the following definitions apply:

- (a) The term "Estate Taxes" shall mean all inheritance, estate, succession,

and other similar taxes that are payable by any person on account of that person's interest in the estate of a settlor or by reason of that settlor's death, including penalties and interest, but excluding the following: (i) any additional tax that may be assessed under Internal Revenue Code Section 2032A; and (ii) any federal or state tax imposed on any generation-skipping transfer, as that term is defined in the federal tax laws, unless that generation-skipping transfer tax is payable directly out of the assets of a trust created by this instrument.

(b) The term "debts and expenses" shall include the following: (i) all costs, expenses of litigation, counsel fees, or other charges that the trustee incurs in connection with the determination of the amount of the Estate Taxes, interest, or penalties referred to in subsection (a) of this section; and (ii) legally enforceable debts, funeral expenses, expenses of last illness, and administration and property expenses.

8.7. Intentional Omission of Children Born or Adopted After Execution of Trust.

Except as otherwise provided in this instrument, the settlors have intentionally failed to provide in this instrument for any children born to or adopted by either settlor after the execution of this instrument.

8.8. Definition of Incapacity.

(a) For purposes of this instrument, a person is deemed "incapacitated" or deemed to suffer from "incapacity" if any of the following circumstances apply:

(1) The person is unable to provide properly for that person's own needs for physical health, food, clothing, or shelter; to manage substantially that person's own financial resources; or to resist fraud or undue influence.

(2) A medical doctor, a board-certified neuropsychologist, or a board-certified psychiatrist, not related by blood or marriage to any trustee or beneficiary, examines such person and declares under penalty of perjury that such person is either temporarily or permanently incapacitated, according to generally accepted medical definitions.

(b) In case of temporary incapacity of a sole trustee, the successor trustee designated under this instrument shall serve during the period of temporary incapacity as though he or she were the only trustee. In case of temporary incapacity of a cotrustee, the other cotrustee shall make any and all decisions during the period of temporary incapacity as though that cotrustee were the only trustee.

(c) Any trustee deemed to be temporarily incapacitated shall be deemed to

be permanently incapacitated 90 days after the determination of temporary incapacity unless a determination of capacity is made within that 90-day period. If a determination of capacity is made, the trustee may resume serving as trustee. If there is a subsequent determination of incapacity, the trustee has another 90-day period to obtain a determination of capacity.

(d) Any successor trustee or cotrustee serving in place of a temporarily incapacitated trustee shall not be relieved of liability until that trustee's account has been settled or an account has been waived by a majority of all current beneficiaries of the trust.

(e) If any trustee or any beneficiary whose capacity is in question disputes the determination of incapacity under any of the standards listed above, such person may petition the court for a finding regarding that person's capacity. The court's finding shall be conclusive. If the court determines that the trustee or other person whose capacity is in question has capacity, the trust property shall bear all expenses associated with the examination or court proceeding. If the court sustains the determination of incapacity, the individual challenging the determination of incapacity shall bear all expenses of the examination or court proceeding.

(f) Each individual trustee agrees to cooperate in any examination reasonably necessary for the purpose of determining capacity, agrees to waive the doctor-patient privilege in respect to the results of such examination, and agrees to provide written authorization in compliance with the privacy regulations under the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. Section 1320d) and the provisions of California Civil Code Section 56.10 for the disclosure and use of that trustee's health information and medical records to the extent that such disclosure and use are necessary to make a determination of the trustee's capacity. Refusal to submit to the examination or to provide the waiver shall be deemed a resignation by that trustee.

8.9. Definition of Education. As used in this instrument, the term "education" refers to the following:

- (a) Education at public or private elementary, junior high, middle, or high schools, including boarding schools;
- (b) Undergraduate, graduate, and postgraduate study in any field, whether or not of a professional character, in colleges, universities, or other institutions of higher learning;
- (c) Specialized formal or informal training in music, the stage, the handicrafts, or the arts, whether by private instruction or otherwise; and
- (d) Formal or informal vocational or technical training, whether through programs or institutions devoted solely to vocational or technical training, or

otherwise.

8.10. Number and Gender. As used in this instrument, references in the masculine gender shall be deemed to include the feminine and neuter genders, and vice versa, and references to the singular shall be deemed to include the plural, and vice versa, wherever the context so permits.

8.11. Captions. The captions appearing in this instrument are for convenience of reference only, and shall be disregarded in determining the meaning and effect of the provisions of this instrument.

8.12. Severability Clause. If any provision of this instrument is invalid, that provision shall be disregarded, and the remainder of this instrument shall be construed as if the invalid provision had not been included.

8.13. California Law to Apply. All questions concerning the validity, interpretation, and administration of this instrument, including any trusts created under this instrument, shall be governed by the laws of the State of California, regardless of the domicile of any trustee or beneficiary.

8.14. Distribution to Issue. Whenever a division of property is specified to be made under this instrument among the issue of an individual in the manner set forth in California Probate Code Section 240, the distribution shall be made as described in this section. The individual is referred to in this section as the Designated Ancestor. The first division shall be made at the generation of issue with members who survive the Designated Ancestor that is nearest in degree to the Designated Ancestor. The property shall be divided into as many equal shares as there are members of that generation who survive the Designated Ancestor plus deceased members of that generation who leave issue who survive the Designated Ancestor. Each member of that generation who survives the Designated Ancestor shall receive one such equal share. The equal share of each deceased member of that generation who leaves issue who survive the Designated Ancestor shall in turn be divided among that deceased member's issue who survive the Designated Ancestor in the manner described in this section as if the deceased member were the Designated Ancestor as to that share.

8.15. Gifts to Heirs. For any gift to "heirs" of either or both settlors that is made in this instrument, those heirs shall be determined as if the settlor or settlors had died intestate at the time for distribution prescribed in this instrument, and the identity and shares of those heirs shall be determined according to the California laws of succession that concern

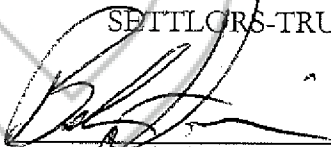
separate property not acquired from a previously deceased spouse and that are in effect at the time the settlor or settlors are deemed to have died.

ARTICLE NINE
SIGNATURE AND EXECUTION

9.1. Execution. We certify that we have read the foregoing declaration of trust and that it correctly states the terms and conditions under which the trust estate is to be held, administered, and distributed. As trustees of the trusts created by this declaration of trust, we approve this declaration of trust in all particulars, and agree to be bound by its terms and conditions. As settlors of the trusts created by this declaration of trust, we approve this declaration of trust in all particulars, and agree to be bound by its terms and conditions.

Executed on January 12th, 2009 at Pacific Grove, California.

SETTLORS-TRUSTEES


BRANDON T. HARRIS


TIFFANY K. HARRIS

ACKNOWLEDGMENT

State of California)

) ss

County of Monterey)

On January 12, 2009 before me, Suzette S. Perry, a notary public, personally appeared BRANDON T. HARRIS and TIFFANY K. HARRIS, who proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument, the persons, or the entity upon behalf of which the persons acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature  (SEAL)

