

LAW OFFICES OF  
**ROBIN C. BEVIER**  
A PROFESSIONAL LAW CORPORATION  
2479 SUNRISE BOULEVARD  
GOLD RIVER, CA 95670-4344  
Office: (916) 858-0904 Fax: (916) 859-4895  
E-mail: [robin@bevier.net](mailto:robin@bevier.net)

September 14, 2009

El Dorado Animal County Animal Control  
Shelter Aid Trust Fund  
415 Placerville Drive, Suite N  
Placerville, CA 95667

Re: Notification by Trustee  
Gladys L. Closson Estate

Dear Representative:

I represent Marianne Oliphant and Helen M. Addington, as Successor Co-Trustees of the revocable trust established by Gladys Closson. You are receiving this letter because you are a person entitled to notice under the California Probate Code, as a beneficiary under the trust. I enclose the Eighth Amendment to the trust executed by Mrs. Closson, as well as a Notification by Trustee. This Amendment contains all of the salient distribution provisions, and your percentage of the residual estate.

The trustee will be presenting an accounting of the trust estate and after the requisite time set out in the California Probate Code, distribution of trust assets will be made.

Please call me with any questions you may have.

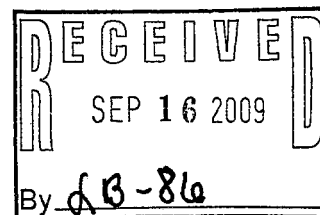
Very truly yours,

LAW OFFICES OF ROBIN C. BEVIER  
A PROFESSIONAL LAW CORPORATION

By:   
ROBIN C. BEVIER

RCB:mrc  
Enclosure:  
1. Eighth Amendment to Trust Agreement

cc: Marianne Oliphant, Co-Trustee  
Helen M. Addington, Co-Trustee



10-0328.C.1

NOTIFICATION BY TRUSTEE

I, MARIANNE OLIPHANT and HELEN M. ADDINGTON, Co-Trustees of the GLADYS L. CLOSSON 1991 LIVING TRUST dated April 11, 1991, pursuant to California Probate Code §16061.7, et seq., hereby gives notice to all beneficiaries and potential heirs as follows:

1. The Settlor/Trustor and original Trustee of the GLADYS L. CLOSSON 1991 LIVING TRUST was GLADYS L. CLOSSON. The currently acting Co-Trustees are MARIANNE OLIPHANT and HELEN M. ADDINGTON.
2. The Co-Trustees' current addresses and telephone numbers are:  
  
MARIANNE OLIPHANT and HELEN M. ADDINGTON, 2479 Sunrise Boulevard, Gold River, California, 95670; (916) 858-0904.
3. The trust estate of GLADYS L. CLOSSON is being administered in the County of Sacramento, State of California at 2479 Sunrise Boulevard, Gold River, California, 95670; (916) 858-0904.
4. You are, upon reasonable request to the Trustee, entitled to receive a true and complete copy of the terms of the trust. A copy of the dispositive provisions of the trust is attached as Exhibit "A".

\* \* \* \* \*

WARNING

You may not bring an action to contest the trust more than one hundred twenty (120) days from the date this notification by the trustee is served upon you or sixty (60) days from the day on which a copy of the terms of the trust is mailed or personally delivered to you in response to your request during that 120-day period, whichever is later.

DATE: 9-9-09

Marianne Oliphant, Trustee  
MARIANNE OLIPHANT

DATE: 9-5-09

Helen M. Addington, Trustee  
HELEN M. ADDINGTON

GLADYS L.  
CLOSSON 1991  
LIVING TRUST

April 11, 1991

Prepared by:

LAW OFFICES OF  
ANNA M. CHAPUT  
735 SUNRISE AVENUE,  
SUITE 155  
ROSEVILLE, CALIFORNIA  
95661  
(916) 773-2632

***NOTICE OF AMENDMENT TO THE TRUSTEE  
AND SEVENTH AMENDMENT OF THE  
GLADYS L. CLOSSON 1991 LIVING TRUST  
DATED April 11, 1991  
AMENDED February 11, 1999  
AMENDED July 12, 1999  
AMENDED October 21, 1999  
AMENDED November 9, 2000  
AMENDED January 12, 2006  
AMENDED June 29, 2006***

***TO THE TRUSTEE OF THE GLADYS L. CLOSSON 1991 LIVING TRUST***

By execution of this Notice of Amendment, GLADYS L. CLOSSON, Settlor of the *GLADYS L. CLOSSON 1991 LIVING TRUST*, established April 11, 1991 and amended February 11, 1999, July 12, 1999, October 21, 1999, November 9, 2000, January 12, 2006, and June 29, 2006, pursuant to Article 2, Section 2.01 of the *GLADYS L. CLOSSON 1991 LIVING TRUST*, hereby amends and restates said trust in its entirety as follows:

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## *DECLARATION OF TRUST*

### ARTICLE 1. CREATION OF TRUST AND IDENTIFICATION

**Section 1.01. Declaration.** GLADYS L. CLOSSON of El Dorado County, California, as Trustee, hereby acknowledges receipt from GLADYS L. CLOSSON, as Settlor, all of the property described in the inventory hereto attached marked Schedule A and holds that property in trust, to be held, administered, and distributed according to the terms of this Declaration of Trust.

**Section 1.02. Title of Trust.** The trust created by this Declaration shall be referred to as the *GLADYS L. CLOSSON 1991 LIVING TRUST*.

**Section 1.03. Date of Trust.** The date of the *GLADYS L. CLOSSON 1991 LIVING TRUST* is April 11, 1991.

**Section 1.04. Identity of Settlor.** As used in this Declaration of Trust, the term "Settlor" shall refer to GLADYS L. CLOSSON.

**Section 1.05. Designation of Trustee.** GLADYS L. CLOSSON is hereby designated as Trustee of the *GLADYS L. CLOSSON 1991 LIVING TRUST*.

**Section 1.06. Identity of Trust Estate.** All property described in Schedule A and all other property that may hereafter be transferred to and received by the Trustee is herein called the "Trust Estate" and shall be held, administered, and distributed as provided in this Declaration of Trust.

**Section 1.07. Additions to Trust.** The Settlor shall have the right at any time, either during her life or by Will at her death, to add other property acceptable by the Trustee to the Trust Estate by conveyance, assignment, transfer, or Will. Such property, when received and accepted by the Trustee, shall become a part of the "Trust Estate" and shall be held, administered, and distributed as provided in this Declaration of Trust.

## ARTICLE 2. RIGHTS AND POWERS OF SETTLOR

**Section 2.01. Power to Change or Revoke Trust.** While living, the Settlor may, at any time from time to time, by written notice signed by the Settlor and delivered to the Trustee:

- (a) Revoke or change the interest in any trust created or to be created pursuant to this Declaration of any beneficiary named in this Declaration or in any amendment to this Declaration.
- (b) Amend any provision of this Declaration or any amendment to this Declaration to such extent as may be acceptable to the Trustee.
- (c) Revoke in whole or in part any trust or trusts created by or to be created pursuant to this Declaration.
- (d) Withdraw all or any part of the Trust Estate.

After any revocation or termination, the Trustee shall promptly deliver the designated property to the Settlor.

**Section 2.02. Revocation and Amendment After Death of Settlor.** Upon the death of the Settlor the trust created by this Declaration shall become irrevocable and not subject to amendment.

**Section 2.03. Power to Direct Investments.** Notwithstanding any other provision in this instrument, during the Settlor's lifetime, the Settlor shall have the power to direct the Trustee to do any of the following:

- (a) Invest trust funds in specified securities, properties, or other forms of investment;
- (b) Retain as part of the Trust Estate, for specified periods of time, securities, properties, or other forms of investment held in trust under this instrument; and
- (c) Sell, encumber, lease, abandon, or dispose of any trust property.

If the trust property is invested in accordance with the terms of the Settlor's direction, the Trustee shall not be liable for losses sustained as a direct or indirect result of the Trustee's compliance with that direction.

**Section 2.04. Exercise of Settlor's Rights and Powers by Attorney in Fact.** Any right or power the Settlor could exercise personally under the terms of this instrument, including the power to amend, revoke or terminate this trust, or any trust created by this instrument, may be exercised for and on behalf of the Settlor by any attorney in fact who at the time of the exercise is duly appointed and acting for the 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, or if there is no such attorney in fact, by a duly

appointed and acting conservator of the Settlor after petition to the court, provided however, the power to amend, revoke, or terminate this trust or any trust created by this instrument, in whole or in part, may be exercised by an attorney in fact or conservator only if distribution of the Settlor's estate is not substantially altered by the amendment, revocation, or termination and the amendment, revocation, or termination does not result in any adverse tax consequences to the Settlor's estate.

### ARTICLE 3. DISTRIBUTIONS OF PRINCIPAL AND INCOME TO SETTLOR

**Section 3.01. Distribution of Net Income to Settlor.** During the life of the Settlor, the Trustee shall pay to or apply for the benefit of the Settlor so much of the net income of the trust estate as directed by the Settlor.

**Section 3.02. Distribution of Principal for Settlor.** During the life of the Settlor, the Trustee shall pay to or apply for the benefit of a Settlor so much of the principal of the Trust Estate, up to the whole thereof, as the Settlor shall from time to time request of the Trustee.

**Section 3.03. Requests for Distribution of Trust Estate By Attorney in Fact.** If at any time the Settlor is unable personally to make a request of the Trustee or to direct the Trustee in writing as authorized in this instrument, the Settlor's right to make the request or to direct the Trustee may be exercised for or on behalf of a Settlor by an attorney in fact who at the time of the exercise is duly appointed and acting for the 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, or if there is no such attorney in fact, by the Trustee or Successor Trustee acting for and on behalf of the Settlor.

### ARTICLE 4. PAYMENTS & DISTRIBUTIONS UPON DEATH OF SETTLOR

**Section 4.01. Collection of Assets.** Upon the death of the Settlor, the Successor Trustee shall collect all proceeds payable to the Trust by reason of the death of the Settlor, and all devises distributable to the Trust Estate under the terms of the last Will of the Settlor, and shall add all such proceeds and devises to the Trust Estate.

**Section 4.02. Payment of Federal Estate Tax & Any State Inheritance Tax.** Any federal estate tax and any state inheritance tax due by reason of the Settlor's death shall be equitably prorated and apportioned among the persons interested in the Settlor's estate as provided in the California Probate Code in effect in the State of California on the date of death of the Settlor.

**Section 4.03. Payment of Debts, Last Illness and Funeral Expenses.** On the death of the Settlor, the Successor Trustee named in Article 6 of this Declaration shall pay the Settlor's debts outstanding at the time of the Settlor's death and not barred by the statute of limitations or any other provision of law, and the expenses of the Settlor's last illness and funeral, unless other adequate provision shall have been made thereof.

All debts and expenses attributable to any property in the trust or the Settlor's estate may in the Successor Trustee's discretion be equitably prorated and apportioned among the persons interested in the Settlor's estate in the same manner as provided for death taxes in the California Probate Code in effect in the State of California on the date of death of the Settlor.

**Section 4.04. Distribution of Trust Estate.** On the death of the Settlor, all of the Trust Estate remaining after payment of the items set forth in Section 4.02 and Section 4.03 (hereinafter referred to as "Trust Estate") shall be distributed by the Successor Trustee named in Article 6 as follows:

(a) Outright to RONALD OLIPHANT and MARIANNE OLIPHANT, in equal shares, share and share alike, or to the survivor of them, all right, title and interest in and to the real property located at 2671 King Richard Drive, El Dorado Hills, California 95762, El Dorado County Assessor Parcel Number 112-245-10-100, and more particularly described as follows:

Lot 52, Crown Village Unit No. 1, filed in the office of the County Recorder of El Dorado County, State of California, on April 23, 1965, in Map Book "D", at page 35.

EXCEPTING THEREFROM all oil, gas and other minerals lying below a depth of 200 feet from the surface of the above described property.

In the event both RONALD OLIPHANT and MARIANNE OLIPHANT are predeceased, this gift shall lapse and shall become part of the rest and residue of the Trust Estate.

This gift is intended to be specific and if for any reason the real property described herein is not part of the Trust Estate at the time of the Settlor's demise, the gift of said real property shall fail and resort shall not be had to any other assets of the Trust Estate to satisfy this gift.

(b) All household furniture and furnishings, appliances, televisions, crystal, china, silverware, power and hand tools, equipment, sporting goods, books, paintings, pictures, works of art, collections, jewelry, clothing and all other personal effects, not otherwise specifically disposed of by the terms of this Declaration of Trust, outright to RONALD OLIPHANT and MARIANNE OLIPHANT, in equal shares, share and share alike, or to the survivor of them.

In the event both RONALD OLIPHANT and MARIANNE OLIPHANT are predeceased, this gift shall lapse and shall become part of the rest and residue of the Trust Estate.



(c) Outright to EVELYN JOHNSON the round cut diamond platinum ring with a total weight of 5.7 grams.

In the event EVELYN JOHNSON is predeceased, this gift shall lapse and shall become part of the rest and residue of the Trust Estate.

This gift is intended to be specific and if for any reason the item of property described herein is not part of the Trust Estate at the time of the Settlor's demise, the gift of said item of property shall fail and resort shall not be had to any other assets of the Trust Estate to satisfy this gift.

(d) Outright to KAY JINES the 1999 Toyota Camray, VIN 4T1BG22KXXU582041, License No. 4GFH473, or any replacement vehicle.

In the event KAY JINES is predeceased, this gift shall lapse and shall become part of the rest and residue of the Trust Estate.

This gift is intended to be specific and if for any reason no vehicle is part of the Trust Estate at the time of the Settlor's demise, this gift shall fail and resort shall not be had to any other assets of the Trust Estate to satisfy this gift.

(e) The sum of TWO THOUSAND AND NO/100 DOLLARS, (\$2,000.00), outright to KAY JINES.

In the event KAY JINES is predeceased, this gift shall lapse and shall become part of the rest and residue of the Trust Estate.

(f) The sum of FIFTY THOUSAND AND NO/100 DOLLARS, (\$50,000.00), outright to DONALD CLOSSON.

In the event DONALD CLOSSON is predeceased, this gift shall lapse and shall become part of the rest and residue of the Trust Estate.

(g) The sum of FIFTY THOUSAND AND NO/100 DOLLARS, (\$50,000.00), outright to DEAN CASTNER.

In the event DEAN CASTNER is predeceased, this gift shall lapse and shall become part of the rest and residue of the Trust Estate.

(h) The sum of FIFTY THOUSAND AND NO/100 DOLLARS, (\$50,000.00), outright to VELMA CASTNER.

In the event VELMA CASTNER is predeceased, this gift shall lapse and shall become part of the rest and residue of the Trust Estate.

(i) The sum of THIRTY THOUSAND AND NO/100 DOLLARS, (\$30,000.00), outright to HELEN M. ADDINGTON.

In the event HELEN M. ADDINGTON is predeceased, this gift shall lapse and shall become part of the rest and residue of the Trust Estate.

(j) The sum of TEN THOUSAND AND NO/100 DOLLARS, (\$10,000.00), outright to ANITA BROWN.

In the event ANITA BROWN is predeceased, this gift shall lapse and shall become part of the rest and residue of the Trust Estate.

(k) The sum of TEN THOUSAND AND NO/100 DOLLARS, (\$10,000.00), outright to JOETTA DAY.

In the event JOETTA DAY is predeceased, this gift shall lapse and shall become part of the rest and residue of the Trust Estate.

(l) The sum of TEN THOUSAND AND NO/100 DOLLARS, (\$10,000.00), outright to DOROTHY DAY.

In the event DOROTHY DAY is predeceased, his gift of TEN THOUSAND AND NO/100 DOLLARS, (\$10,000.00), outright to SUE TEEL and MERRILYN HUDGENS, in equal shares, share and share alike, or to the survivor of them.

(m) The sum of TEN THOUSAND AND NO/100 DOLLARS, (\$10,000.00) outright to SUE TEEL.

In the event SUE TEEL is predeceased the sum of TEN THOUSAND AND NO/100 DOLLARS, (\$10,000.00), outright to STEVE TEEL.

(n) The sum of TEN THOUSAND AND NO/100 DOLLARS, (\$10,000.00) outright to MERRILYN HUDGENS.

In the event MERRILYN HUDGENS is predeceased the sum of TEN THOUSAND AND NO/100 DOLLARS, (\$10,000.00), outright to BENNY HUDGENS.

(o) The sum of THREE THOUSAND AND NO/100 DOLLARS, (\$3,000.00), outright to ARLENE AUCH and RALPH AUCH, in equal shares, share and share alike, or to the survivor of them..

In the event both ARLENE AUCH and RALPH AUCH are predeceased, this gift shall lapse and shall become part of the rest and residue of the Trust Estate.

(p) The sum of FIFTEEN THOUSAND AND NO/100 DOLLARS, (\$15,000.00), outright to RICHARD JOHNSON and EVELYN JOHNSON, in equal shares, share and share alike, or to the survivor of them.

In the event both RICHARD JOHNSON and EVELYN JOHNSON are predeceased, then the sum of FIFTEEN THOUSAND AND NO/100 DOLLARS, (\$15,000.00), to the issue of RICHARD JOHNSON and EVELYN JOHNSON by right of representation.

(q) The sum of TEN THOUSAND AND NO/100 DOLLARS, (\$10,000.00), outright to JEFF GIBBONEY and LYNN GIBBONEY, in equal shares, share and share alike, or to the survivor of them.

In the event both JEFF GIBBONEY and LYNN GIBBONEY are predeceased, then the sum of TEN THOUSAND AND NO/100 DOLLARS, (\$10,000.00), to the issue of JEFF GIBBONEY and LYNN GIBBONEY by right of representation.

(r) The sum of TWENTY THOUSAND AND NO/100 DOLLARS, (\$20,000.00), outright to JON FELKER and MARY FELKER, in equal shares, share and share alike, or to the survivor of them.

In the event both JON FELKER and MARY FELKER are predeceased, then the sum of TWENTY THOUSAND AND NO/100 DOLLARS, (\$20,000.00), to the issue of JON FELKER and MARY FELKER by right of representation.

(s) The sum of TWENTY THOUSAND AND NO/100 DOLLARS, (\$20,000.00), outright to RONALD OLIPHANT and MARIANNE OLIPHANT, in equal shares, share and share alike, or to the survivor of them.

In the event both RONALD OLIPHANT and MARIANNE OLIPHANT are predeceased, this gift shall lapse and shall become part of the rest and residue of the Trust Estate.

(t) The sum of ONE THOUSAND AND NO/100 DOLLARS, (\$1,000.00), outright to PEGGY JAYNES.

In the event PEGGY JAYNES is predeceased, this gift shall lapse and shall become part of the rest and residue of the Trust Estate.

(u) The sum of THREE THOUSAND AND NO/100 DOLLARS, (\$3,000.00), outright to BILL O'NEILL and CONNIE O'NEILL, in equal shares, share and share alike, or to the survivor of them.

In the event both BILL O'NEILL and CONNIE O'NEILL are predeceased, this gift shall lapse and shall become part of the rest and residue of the Trust Estate.

(v) The sum of THREE THOUSAND AND NO/100 DOLLARS, (\$3,000.00), outright to JEAN STEGER.

In the event JEAN STEGER is predeceased, this gift shall lapse and shall become part of the rest and residue of the Trust Estate.

(w) The sum of THREE THOUSAND AND NO/100 DOLLARS, (\$3,000.00), outright to BILLIE BATCHLER.

In the event BILLIE BATCHLER is predeceased, this gift shall lapse and shall become part of the rest and residue of the Trust Estate.

(x) The sum of TWO THOUSAND AND NO/100 DOLLARS, (\$2,000.00), outright to FOOTHILLS UNITED METHODIST CHURCH, currently located at 3301 Green Valley Road, Rescue, California 95672.

(y) All of the rest and residue of the Trust Estate not otherwise specifically disposed of by the terms of this Declaration of Trust or otherwise, (hereinafter referred to as "Rest and Residue"), to be distributed as follows:

(1) Twenty-five percent (25%) of the Rest and Residue outright to THE SALVATION ARMY, EL DORADO CITADEL CORPS.

(2) Twenty-five percent (25%) of the Rest and Residue outright to THE MAKE-A-WISH FOUNDATION.

(3) Twenty-five percent (25%) of the Rest and Residue outright to EL DORADO COUNTY ANIMAL CONTROL SHELTER AID TRUST FUND.

(4) Twenty-five percent (25%) of the Rest and Residue outright to EL DORADO HILLS COMMUNITY VISION, INC. to be dedicated exclusively to the SENIOR CENTER PROJECT, a designated fund.

**Section 4.05. Disinheritance & No Contest.** The Settlor declares she has carefully considered the distributions outlined in this Declaration of Trust and has considered all individuals named as beneficiaries and those individuals the Settlor has determined not to be beneficiaries under this Declaration of Trust.

The Settlor further declares that in the event any individual, singularly or in combination with any other person or persons, whether or not related in any way to the Settlor and whether or not named as a beneficiary in this Declaration of Trust, shall either directly or indirectly by legal proceedings or otherwise, challenge or contest this Declaration of Trust or any of its provisions, or shall attempt in any way to change, set aside, nullify, void, impair or invalidate this Declaration of Trust or any distribution hereunder, then the right of such individual to take any interest under the terms of this Declaration of Trust shall be determined as if such individual had predeceased the execution of this instrument leaving no issue surviving.

**Section 4.06. Administration of Generation-Skipping Trusts.** The provisions of this Section 4.06 apply to any trust under this Declaration that is created on or at any time after the Settlor's death and in which there is property that is or may become subject to the federal generation-skipping transfer tax:

(a) Upon written notification by the Settlor's personal representative that the personal representative intends to allocate any part of the generation-skipping transfer tax exemption that is available to the Settlor under Internal Revenue Code Section 2631(a), (or any equivalent successor statute), to some but not all of the property in the trust to which this section applies, the Trustee may in the Trustee's discretion, divide that trust into two separate trusts, to be designated as the "Exempt Trust" and the "Non-Exempt Trust."

The Exempt Trust shall contain the share of the property of that trust consisting of a pecuniary amount equal in value to the amount of the generation skipping transfer tax exemption that the personal representative intends to allocate to the trust. The Non-Exempt Trust shall contain the balance of the property of that trust.

It is the Settlor's intention that the personal representative then actually allocate the generation-skipping transfer tax exemption to the Exempt Trust and not to the Non-Exempt Trust so that the Exempt Trust shall have an inclusion ratio of zero for federal generation-skipping transfer tax purposes and the Non-Exempt Trust shall have an inclusion ratio of one for federal generation-skipping transfer tax purposes. The Trustee shall not be liable for relying on the written instructions of the personal representative when acting in accordance with this subparagraph.

(b) In allocating assets between the Exempt Trust and Non-Exempt Trust for purposes of this section, the Trustee shall allocate the trust assets between the Exempt Trust and the Non-Exempt Trust in cash or in kind, or partly in each, on a pro rata or non pro rata basis, and in undivided interests or not. If the allocation is not made within 15 months from the date of the Settlor's death, the Trustee shall pay interest at the legal rate, from the date of the Settlor's death to the date of distribution. For purposes of allocation under this section, assets shall be valued at their values on the dates of distribution.

(c) Regardless of whether or not Paragraph (a) of this Section 4.06 applies, if the amount of the Settlor's generation-skipping transfer tax exemption actually allocated by the personal representative, (or automatically allocated under Internal Revenue Code Section 2632, or any

equivalent successor statute), to a trust to which this section applies is equal to the value of the property of that trust so that the entire trust has an inclusion ratio of zero for federal generation-skipping transfer tax purposes, the entire trust shall be referred to as the "Exempt Trust." On the other hand, if no part of the Settlor's generation-skipping transfer tax exemption is actually allocated to the trust by the personal representative, (or automatically allocated under Internal Revenue Code Section 2632, or any equivalent successor statute), so that the entire trust has an inclusion ratio of one for federal generation-skipping transfer tax purposes, (or if the Settlor is not the transferor of the trust for generation-skipping transfer tax purposes), the entire trust shall be referred to as the "Non-Exempt Trust."

(d) The Trustee may, but is not required to, administer the trusts under this Declaration to which this Section 4.06 applies in such a manner that distributions made during the trust terms to "skip persons" (as defined in Internal Revenue Code Section 2613(a) or any equivalent successor statute), are made from Exempt Trusts, and distributions made during the trust terms to "non-skip persons" (as defined in Internal Revenue Code Section 2613(a) or any equivalent successor statute), are made from Non-Exempt trusts.

(e) The purpose of this section is to allow the Trustee to administer the trusts so as to decrease the amount of the generation-skipping transfer taxes owed on generation-skipping transfers from the trusts. The Trustee shall balance that consideration against any other tax and nontax considerations, and may disregard the generation-skipping transfer tax consequences to the extent that the Trustee determines that doing so will allow the Trustee to carry out the Settlor's intentions in creating the trusts. All decisions of the Trustee under this Paragraph (e) are within the Trustee's discretion and shall be final and incontestable by anyone.

(f) If upon the death of the Settlor, (1) the Settlor is considered to be the transferor of any Non-Exempt Trust established by this Declaration for generation-skipping transfer tax purposes, and (2) the Settlor's personal representative allocates any part of the generation-skipping transfer tax exemption that is available to the Settlor under Internal Revenue Code Section 2631(a), (or any equivalent successor statute), to that Non-Exempt Trust so that the entire trust then has an inclusion ratio of zero for federal generation-skipping transfer tax purposes, that trust shall then be considered to be an "Exempt Trust" for purposes of this section.

(g) If in the Trustee's judgment, at any time after the execution of this Declaration, any statute, regulation, court decision, or administrative ruling imposes different or additional requirements on the trust in connection with the generation-skipping transfer tax, the Trustee may petition the court to amend the terms of this trust to meet those requirements and achieve the purpose of this section.

## ARTICLE 5. POWERS OF TRUSTEE

**Section 5.01. Retain Investments of Settlor.** The Trustee is authorized to retain in the trust for such time as the Trustee may deem advisable any property received by the Trustee from the Settlor, whether or not such property is of the character permitted by law for the investment of trust funds, and to operate at the risk of the Trust Estate any business or property received by the Trustee from the Settlor.

**Section 5.02. Management of Trust Property.** The Trustee shall with respect to any and all property which may at any time be held by it in trust pursuant to this Declaration, whether such property constitutes principal or accumulated income of any trust provided for in this Declaration, have the power, exercisable in the Trustee's discretion at any time and from time to time on such terms and in such manner as the Trustee deems advisable, to:

- (a) Invest and reinvest the trust funds in such property as the Trustee may deem advisable, whether or not of the character permitted by law for the investment of trust funds.
- (b) Sell, convey, exchange, convert, trade, improve, repair, manage, operate and control trust property.
- (c) Open, close, or transfer any type of account with any bank, savings and loan, credit union, brokerage firm, or other financial institution.
- (d) Sign checks, drafts, withdrawal slips, or other documents, and to give instructions for the payment or the receipt of money.
- (e) Have, either singularly or with others, access to any safe deposit box or other place containing trust property.
- (f) Enter, continue, or participate in the operation of any business or other enterprise, including as a sole proprietor, or as a general or limited partner, and to liquidate or terminate the operation of the business or enterprise.
- (g) Enforce any mortgage, deed of trust, or pledge held by this Trust and at any sale under any such mortgage, deed of trust, or pledge, to bid and purchase at the expense of any trust provided for in this Declaration any property subject to such security instrument.
- (h) Incur indebtedness, finance, or refinance trust property, to borrow money from any person, firm, or corporation, including by credit card, overdraft, promissory note, line of credit, or otherwise, and to encumber trust property by mortgage, deed of trust, pledge, or otherwise for the debts of the trust or for the debts of the Settlor, on such terms and conditions as the Trustee may deem proper and to obligate the trust to repay such borrowed money.
- (i) Carry insurance of such kinds and in such amounts at the expense of the trusts provided for in this Declaration as the Trustee may deem advisable.
- (j) Permit occupancy of real property held in any trust for reasonable rent or rent-free without liability on the part of the Trustee for waste, loss, or destruction.
- (k) Permit the use of tangible personal property held in trust for reasonable rent or rent-free without liability on the part of the Trustee for waste, loss, or destruction.

(l) Lease for terms within or beyond the term of any trust provided for in this Declaration and for any purpose, including exploration and removal of gas, oil, and other minerals; and enter into any covenants and agreements relating to the property so leased or any improvements which may be erected on such property.

(m) Participate in any plans or proceedings for the foreclosure, reorganization, consolidation, merger, or liquidation of any corporation or organization that has issued securities, and to deposit securities with and transfer title of securities to any protective or other committee established to further or defeat any such plan or proceeding.

(n) Vote and give proxies to vote any securities held in trust pursuant to this Declaration, having voting rights.

(o) Exercise any subscription, conversion, or other rights or options which may at any time attach, belong, or be given to the holders of any stocks, bonds, securities, or other instruments held by it in trust pursuant to this Declaration.

(p) Buy, sell, and trade in securities of any nature, including short sales, on margin, and for such purposes to maintain and operate margin accounts with brokers, and to pledge any securities held or purchased by the Trustee with such brokers as security for loans and advances made to the Trustee.

(q) Commence or defend at the expense of any trust provided for in this Declaration such litigation with respect to any such trust or any property of the Trust Estate as it may deem advisable.

(r) Compromise, submit to arbitration, release with or without consideration, and otherwise adjust any claims in favor of or against any trust provided for in this Declaration.

(s) Employ, discharge and compensate from the trust, accountants, lawyers, investment advisers, and such others as necessary to aid and assist in the management, administration, and protection of the trust estate.

(t) Apply for and make any elections required for payment of government benefits to which the Settlor may be entitled, to take possession of all such benefits, and to distribute such benefits to or for the Settlor's benefit.

(u) Subject to any limitations expressly set forth in this Declaration and the faithful performance of its fiduciary obligations, to do all such acts, take all such proceedings, and exercise all such rights and privileges as could be done, taken, or exercised by an absolute owner of the trust property.

**Section 5.03. Responsibility for Tangible Property.** If during the Settlor's lifetime, tangible personal property becomes an asset of this trust, the Trustee shall have no responsibility for the safekeeping, maintenance, repair, or insurance of said property and shall be responsible only for such tangible personal property as shall actually come into the Trustee's possession by physical delivery of the property to the Trustee by the Settlor or by the Settlor's personal representative on the death of a Settlor.



**Section 5.04. Distribution in Kind or in Cash.** On any final or partial distribution of the assets of the Trust Estate and on any division of the assets of the Trust Estate into shares or partial shares, the Trustee may distribute or divide such assets in kind, may distribute or divide undivided interests in such assets, or may sell all or any part of such assets and make distribution or division in cash, in kind, or partly in cash or partly in kind. The decision of the Trustee, either prior to or on any division or distribution of such assets, as to what constitutes a proper division of such assets of the Trust Estate shall be binding on all persons in any manner interested in any trust provided for in this Declaration.

**Section 5.05. Determination of Principal and Income.** Except as otherwise specifically provided in this Declaration, the determination of all matters with respect to what is principal and income of the trust estate and the apportionment and allocation of receipts, expenses, and other charges between principal and income shall be governed by the provisions of the California Revised Uniform Principal and Income Act from time to time existing. The Trustee in the Trustee's discretion shall determine any matter not provided for either in this instrument or in the California Revised Uniform Principal and Income Act.

Notwithstanding any other provision of this Declaration or of the Uniform Principal and Income Act, the Trustee must establish a reserve for depreciation of all income producing real and personal property and of capital improvements and extraordinary repairs.

In addition, a reasonable reserve for the depletion of depletable natural resources, including but not limited to, oil, gas, mineral and timber property, shall be charged to income from time to time; distributions from mutual funds and similarly entitled gains from the sale or other disposition of property shall be credited to principal; and a reasonable reserve for amortization of all intangible property with a limited economic life, including, but not limited to patents and copyrights shall be charged to income from time to time.

**Section 5.06. Elections Under Tax Laws.** The Trustee may make any elections under the federal and state income and estate tax laws applicable to the Trust Estate that the Trustee determines should be made for the benefit of the Trust beneficiaries. No compensating adjustments between principal and income shall be made even though the elections made under the tax laws by the personal representative of Settlor's estate or the Trustee may affect, beneficially or adversely, the interests of the beneficiaries. The action of the Trustee shall be binding upon all beneficiaries.

**Section 5.07. Binding Effect of Trustee's Acts.** Any instrument executed or acts taken by the Trustee shall bind all parties interested in the trust, including the trust beneficiaries. This trust shall be binding upon the administrators, successors, and assigns of the parties hereto.

## ARTICLE 6. APPOINTMENT OF SUCCESSOR TRUSTEE

**Section 6.01. Appointment of Co-Successor Trustees Upon Incapacity or Death of Trustee.** In the event GLADYS L. CLOSSON is unable to act as Trustee as evidenced by two (2) licensed physicians' opinion letters for the disabled Trustee, or in the event GLADYS L. CLOSSON resigns as Trustee of the *GLADYS L. CLOSSON 1991 LIVING TRUST*, and upon the death of GLADYS L. CLOSSON, HELEN M. ADDINGTON and MARIANNE OLIPHANT shall serve as Co-Successor Trustees of the *GLADYS L. CLOSSON 1991 LIVING TRUST*. The appointment of HELEN M. ADDINGTON and MARIANNE OLIPHANT as Co-Successor Trustees of the *GLADYS L. CLOSSON 1991 LIVING TRUST* shall cease upon the written certification of one (1) physician certifying that GLADYS L. CLOSSON is again able to manage her own affairs.

**Section 1.02. Inability of a Co-Successor Trustee to Serve.** In the event a Co-Successor Trustee is unable or unwilling to serve as a Co-Successor Trustee because of death, incompetency, or other cause, before the natural termination of the *GLADYS L. CLOSSON 1991 LIVING TRUST*, LARRY BASSHAM shall serve as a Co-Successor Trustee in the place and stead of the absent or withdrawing Co-Successor Trustee with full powers, rights and duties of a Co-Successor Trustee as authorized in this document.

In the event a Co-Successor Trustee is unwilling or unable to serve, one of the following documents shall be attached to this Declaration of Trust:

- (a) a written resignation or declination to serve signed by the withdrawing Co-Successor Trustee and delivered to the adult trust beneficiary of beneficiaries named in this Declaration, which resignation shall take effect thirty (30) days after the delivery of said resignation to the adult beneficiary or beneficiaries, or upon such earlier date as agreed upon by the withdrawing Co-Successor Trustee and the adult trust beneficiary or beneficiaries;
- (b) a written and signed opinion from a licensed physician stating the withdrawing Co-Successor Trustee is physically or mentally incapable of serving; or
- (c) a certified copy of a death certificate for the absent Co-Successor Trustee.

**Section 6.03. Unanimity Required for Action.** Any decision or action made on behalf of the trust established in this Declaration must be made with the unanimous consent of the Co-Successor Trustees serving at the time of the decision or action in question.

**Section 6.04. Rights and Powers of Co-Successor Trustees.** The Co-Successor Trustees appointed in this Article 6 of this Declaration because of the incapacity, death, resignation, or other act of the Trustee or a Co-Successor Trustee shall, on such appointment being made, immediately succeed to the title of "Trustee" to the Trust Estate and to all powers, rights, discretions, obligations, and immunities of the Trustee under this Declaration with the same effect as though such successors were originally named as Trustee in this Declaration. The terms "Trustee" and "Successor Trustee" as used in this Declaration shall refer to and include those persons appointed and serving as Co-Successor Trustees pursuant to this Article 6 of this Declaration.

**Section 6.05. Release of Medical Information to Successor Trustee.** All of the Settlor's medical and health information, including, but not limited to any information governed by the Health Insurance Portability and Accountability Act of 1996 (HIPAA), 42 USC 1320d and 45 CFR 16-164, or successor statute or code, may be released to any person nominated as a "Successor Trustee" herein. This release of medical information shall include any written opinion relating to the Settlor's capacity requested by any person nominated as "Successor Trustee" herein, and applies even if a person nominated as "Successor Trustee" is not yet serving as "Successor Trustee" pursuant to the provisions of this Declaration of Trust.

**Section 6.06. Annual Accounting.** The Co-Successor Trustees appointed to serve pursuant to the Article 6 provisions of this Declaration shall periodically, and at least annually, prepare and deliver to the Settlor, or if deceased, to the adult trust beneficiary or beneficiaries named in this Declaration, an account in writing of the Co-Successor Trustees' administration of the trust provided for in this Declaration.

Written approval of any such account signed by the recipient shall constitute an absolute release of the Co-Successor Trustees from any and all liability for all matters stated on such accounting. Such release shall be binding on the party who signed it and on the administrators, successors, and assigns of such party.

Failure to transmit to the Co-Successor Trustees either (1) the written approval of such accounting, or (2) a written objection to the accounting with reasons specified, within a period of one hundred eighty (180) days after a written request by the Co-Successor Trustees for such approval, shall be deemed to be a written approval of the accounting by the individual entitled to the accounting.

**Section 6.07. Reimbursement of Expenses.** The Co-Successor Trustees or the sole Successor Trustee serving pursuant to the provisions of this Declaration shall be entitled to reimbursement for reasonable out of pocket expenses incurred while serving on behalf of the Trust.

**Section 6.08. Compensation for Services Rendered.** The Co-Successor Trustees or the sole Successor Trustee serving pursuant to the provisions of this Declaration shall be entitled to reasonable compensation for services rendered in the administration of the Trust pursuant to the terms of this Declaration.

**Section 6.09. Bond Requirement for Trustee or Co-Successor Trustees.** The Trustee and any Co-Successor Trustee appointed according to the provisions of this Declaration shall serve without bond.

**Section 6.10. Release of Co-Successor Trustees.** Final distribution of all trust property to the parties entitled thereto shall constitute a full and final release of the Co-Successor Trustees from all fiduciary responsibilities.

## ARTICLE 7. ADMINISTRATIVE PROVISIONS

**Section 7.01. Notice of Event Affecting Beneficial Interest.** Unless the Trustee shall have received actual notice in writing of the occurrence of an event affecting the beneficial interests of this Trust, the Trustee shall not be liable to any beneficiary of this Trust for distribution made as though the event had not occurred.

**Section 7.02. Vesting of Interest.** Unless sooner terminated in accordance with other provisions of this instrument, all trusts created herein shall terminate twenty-one (21) years after the death of the Settlor or of the Settlor's issue living on the date of the death of the Settlor. The principal and undistributed income of a terminated trust shall be distributed as set forth in Article 4.

**Section 7.03. Prohibition Against Encumbrance of Interest.** No interest in the principal or income of any trust created under this instrument shall be anticipated, assigned, encumbered, or subjected to creditor's claim or legal process before actual receipt by the beneficiary.

**Section 7.04. Applicable Law.** The validity of this trust, the construction of its provisions, and all rights under the trusts provided for in this Declaration shall be governed by the laws of the State of California in force from time to time.

**Section 7.05. Invalidity of any Provision.** If any provision of this trust instrument is unenforceable the remaining provisions shall nevertheless be carried into effect.


**Section 7.06. Definition of Child and Children.** In this instrument, the terms "child" and "children" shall refer to natural children and to children who have been legally adopted by the parent or parents from or through whom their right to inherit or to take is determined and derived.

**Section 7.07. Definition of Issue.** In this instrument, the term "issue" shall refer 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.

**Section 7.08. References to Gender.** As used in this Declaration of Trust, the masculine or feminine gender, and the singular or plural, shall each include the others wherever the context so indicates.

ARTICLE 8. EXECUTION

**Section 8.01. Approval by Settlor.** As Settlor of the trust created by this Declaration of Trust, I certify that I 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. I approve this Declaration of Trust in all particulars, and agree to be bound by its terms and conditions.

  
GLADYS L. CLOSSON, SETTLOR

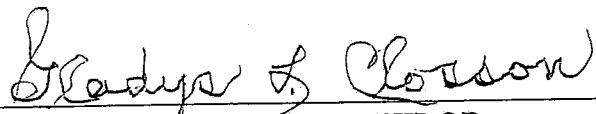
**Section 8.02. Acceptance by Trustee.** I certify I have read the foregoing Declaration of Trust and that said Declaration of Trust correctly states the terms and conditions under which the Trust Estate is to be held, administered, and distributed. As Trustee, I approve this Declaration of Trust in all particulars, accept appointment as Trustee of such Declaration of Trust, and agree to be bound by its terms and conditions.

  
GLADYS L. CLOSSON, TRUSTEE

GLADYS L. CLOSSON, SETTLOR, further certifies that the Trust Estate of the *GLADYS L. CLOSSON 1991 LIVING TRUST* is to be held, managed and disposed of by the provisions set forth in the *GLADYS L. CLOSSON 1991 LIVING TRUST* established April 11, 1991 as amended and restated in this amendment and she reapproves the trust provisions in all particulars as amended by and restated in this amendment.

In the event of a conflict between the provisions set forth in the *GLADYS L. CLOSSON 1991 LIVING TRUST* and any subsequent amendment or restatement, or between the provisions of the amendments and restatements to said trust, the provisions of the amendment or restatement last in time shall control.

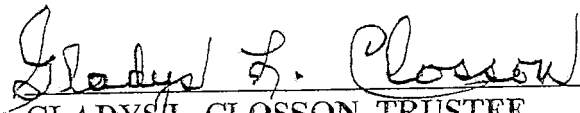
DATED: 7-16-2008

  
\_\_\_\_\_  
GLADYS L. CLOSSON, SETTLOR

**ACCEPTANCE OF AMENDMENT BY TRUSTEE**

I, GLADYS L. CLOSSON, Trustee of the *GLADYS L. CLOSSON 1991 LIVING TRUST*, hereby acknowledge receipt of the Sixth amendment to the *GLADYS L. CLOSSON 1991 LIVING TRUST*, which amendment is dated July 16, 2008, and I hereby accept the amendment to the *GLADYS L. CLOSSON 1991 LIVING TRUST* as set forth herein.

DATED: 7-16-2008

  
\_\_\_\_\_  
GLADYS L. CLOSSON, TRUSTEE

## *SCHEDULE A*

### Real Property

1. All right, title, and interest in and to the real property located at 2671 King Richard Drive, El Dorado Hills, California, 95762, El Dorado County Assessor Parcel Number 112-245-10-100, and more particularly described as follows:

Lot 52, Crown Village Unit No. 1, filed in the office of the County Recorder of El Dorado County, State of California, on April 23, 1965, in Map Book "D", at page 35.

### Checking Accounts, Savings Accounts, Brokerage Accounts, Certificates of Deposit, & Mutual Funds

1. Bank of America  
Checking Account  
Account No. 0806901742
2. Bank of America  
Money Market Account  
Account No. 98968-08985
3. Bank of America  
Certificate of Deposit  
Account No. 25543-01324
4. Bank of Commerce  
Certificate of Deposit
5. Umpqua  
Certificate of Deposit  
Account No. 4808473

### Securities

1. SCANA Corporation  
All shares
2. PG&E  
All shares
3. Center Point Energy  
All shares
4. US Savings Bonds

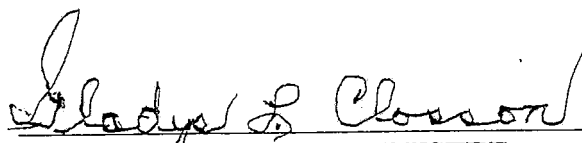
*Personal Property*

All vehicles, household furniture and furnishings, appliances, televisions, crystal, china, silverware, power and hand tools, equipment, sporting goods, books, paintings, pictures, works of art, collections, jewelry, clothing and all other personal effects.



*RECEIPT*

I have received the assets described in Schedule A to be held under the terms and provisions of this Declaration of Trust this 16 day of July, 2008.

  
GLADYS L. CLOSSON, TRUSTEE

*ACKNOWLEDGMENT*

I hereby acknowledge that Schedule A contains a correct listing of the assets transferred to this Trust.

  
GLADYS L. CLOSSON, SETTLOR

NOTARY ACKNOWLEDGMENT

STATE OF CALIFORNIA  
COUNTY OF EL DORADO

On July 16, 2008, before me, ANNA M. CHAPUT, NOTARY PUBLIC, personally appeared GLADYS L. CLOSSON who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is/are~~ subscribed to the within instrument, and acknowledged to me that ~~he/she/they~~ executed the same in ~~his/her/their~~ authorized capacity(ies), and that by ~~his/her/their~~ signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) 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 Anna M. Chaput

