

Hearing Judge: The Honorable Wyman Yip  
Hearing Date: October 6, 2023  
Hearing Time: 10:00 a.m.

SUPERIOR COURT OF WASHINGTON FOR KING COUNTY

In Re the Matter of:

Case No. 22-4-08326-1 KNT

THE SHARON M. HAROLD  
IRREVOCABLE TRUST DATED  
NOVEMBER 12, 2004

a trust.

**DECLARATION OF ALEKSANDER  
R. SCHILBACH IN SUPPORT OF  
PETITIONER TRUSTEE'S MOTION  
FOR PARTIAL SUMMARY  
JUDGMENT ON TRUSTEE'S  
ENTITLEMENT TO EMPLOY  
COUNSEL ON BEHALF OF TRUST  
AND PAY COUNSEL FROM TRUST'S  
FUNDS**

I, Aleksander R. Schilbach, declare as follows:

1. I am an attorney with Lane Powell PC, attorneys of record for Petitioner David A. Paice, Trustee of the Sharon M. Harold Irrevocable Trust dated November 12, 2004 ("Harold Trust"). I have personal knowledge of the facts set forth herein. I make this declaration based in support of Petitioner Trustee's Motion for Partial Summary Judgment on Trustee's Entitlement to Employ Counsel on Behalf of Trust and Pay Counsel from Trust's Funds ("Motion for Partial Summary Judgment"). In making this declaration to authenticate the attached exhibit, I am not waiving any attorney-client privilege held by our client as to our communications and legal advice, nor any work-product protections that attach to the legal services and work that we have done for him.

2. Attached as **Exhibit A** is a true and correct copy of the Declaration of Trust of the Sharon M. Harold Irrevocable Trust dated November 12, 2004. A copy of the Harold Trust is also attached as Exhibit A to Petitioner's Verified Petition for Approval of Interim Account; For

1 Discharge of Successor Trustee; and For Appointment of Successor Trustee (Dkt. 1).

2 I declare under penalty of perjury under the laws of the State of Washington that the  
3 foregoing is true and correct to the best of my knowledge.

4 Executed on this 8th day of September, 2023, at Seattle, Washington.

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6 Aleksander R. Schilbach  
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## CERTIFICATE OF SERVICE

I hereby certify that on September 8, 2023, I caused to be served a copy of the foregoing document to be delivered in the manner indicated below to the following person at the following address:

Sharon M. Harold, <i>Pro Se</i> 100 River Bend Rd. #103 Reedsport, OR 97467 <a href="mailto:smharold7@gmail.com">smharold7@gmail.com</a>	<input checked="" type="checkbox"/> by <b>CM/ECF</b> <input checked="" type="checkbox"/> by <b>Electronic Mail</b> <input type="checkbox"/> by <b>Facsimile Transmission</b> <input checked="" type="checkbox"/> by <b>First Class Mail</b> <input type="checkbox"/> by <b>Hand Delivery</b> <input type="checkbox"/> by <b>Overnight Delivery</b>
Charles A. Harold, <i>Pro Se</i> 1455 N. Tomahawk Road Apache Junction, AZ 85119 <a href="mailto:chuckharold@gmail.com">chuckharold@gmail.com</a>	<input checked="" type="checkbox"/> by <b>CM/ECF</b> <input checked="" type="checkbox"/> by <b>Electronic Mail</b> <input type="checkbox"/> by <b>Facsimile Transmission</b> <input checked="" type="checkbox"/> by <b>First Class Mail</b> <input type="checkbox"/> by <b>Hand Delivery</b> <input type="checkbox"/> by <b>Overnight Delivery</b>
John J. Harold, <i>Pro Se</i> 230 Westmond Drive Reedsport, OR 97467 <a href="mailto:john6231@live.com">john6231@live.com</a>	<input checked="" type="checkbox"/> by <b>CM/ECF</b> <input checked="" type="checkbox"/> by <b>Electronic Mail</b> <input type="checkbox"/> by <b>Facsimile Transmission</b> <input checked="" type="checkbox"/> by <b>First Class Mail</b> <input type="checkbox"/> by <b>Hand Delivery</b> <input type="checkbox"/> by <b>Overnight Delivery</b>
Amy Jane Small, <i>Pro Se</i> P.O. Box 352 Graegle, CA 96103 <a href="mailto:aj.harold9@gmail.com">aj.harold9@gmail.com</a>	<input checked="" type="checkbox"/> by <b>CM/ECF</b> <input checked="" type="checkbox"/> by <b>Electronic Mail</b> <input type="checkbox"/> by <b>Facsimile Transmission</b> <input checked="" type="checkbox"/> by <b>First Class Mail</b> <input type="checkbox"/> by <b>Hand Delivery</b> <input type="checkbox"/> by <b>Overnight Delivery</b>
Angel Harold, <i>Pro Se</i> 26707 Isabella Parkway, #202 Canyon Country, CA 91351 <a href="mailto:angelharold25@gmail.com">angelharold25@gmail.com</a>	<input checked="" type="checkbox"/> by <b>CM/ECF</b> <input checked="" type="checkbox"/> by <b>Electronic Mail</b> <input type="checkbox"/> by <b>Facsimile Transmission</b> <input checked="" type="checkbox"/> by <b>First Class Mail</b> <input type="checkbox"/> by <b>Hand Delivery</b> <input type="checkbox"/> by <b>Overnight Delivery</b>
Josette Harold Ramirez, <i>Pro Se</i> 11319 Playa St Culver City, CA 90230 <a href="mailto:jobabe007@gmail.com">jobabe007@gmail.com</a>	<input checked="" type="checkbox"/> by <b>CM/ECF</b> <input checked="" type="checkbox"/> by <b>Electronic Mail</b> <input type="checkbox"/> by <b>Facsimile Transmission</b> <input checked="" type="checkbox"/> by <b>First Class Mail</b> <input type="checkbox"/> by <b>Hand Delivery</b> <input type="checkbox"/> by <b>Overnight Delivery</b>

Jenifer Sawyer, <i>Pro Se</i> 1819 74 <sup>th</sup> St. E Tacoma, WA 98404 <a href="mailto:send2jen3@gmail.com">send2jen3@gmail.com</a>	<input type="checkbox"/> by <b>CM/ECF</b> <input checked="" type="checkbox"/> by <b>Electronic Mail</b> <input type="checkbox"/> by <b>Facsimile Transmission</b> <input checked="" type="checkbox"/> by <b>First Class Mail</b> <input type="checkbox"/> by <b>Hand Delivery</b> <input type="checkbox"/> by <b>Overnight Delivery</b>
Nicole Loomis 31688D U.S. 97 Tonasket, WA 98855 <a href="mailto:nikkiloomis20@gmail.com">nikkiloomis20@gmail.com</a>	<input type="checkbox"/> by <b>CM/ECF</b> <input checked="" type="checkbox"/> by <b>Electronic Mail</b> <input type="checkbox"/> by <b>Facsimile Transmission</b> <input checked="" type="checkbox"/> by <b>First Class Mail</b> <input type="checkbox"/> by <b>Hand Delivery</b> <input type="checkbox"/> by <b>Overnight Delivery</b>

DATED: September 8, 2023.

*s/ Silvia Webb*

Silvia Webb

# Exhibit A

**DECLARATION OF TRUST**  
**OF**  
**THE SHARON M. HAROLD IRREVOCABLE TRUST**  
DATED <sup>November</sup> ~~OCTOBER~~ 12, 2004

**ROBERT G. HATCH** (referred to herein as the "Trustee") hereby declares that **SHARON M. HAROLD** (referred to herein as the "Grantor"), has transferred, without consideration, the property described in the attached Schedule A, all of which is the Grantor's separate property, to **ROBERT G. HATCH**, as Trustee. The term "Trustee", as used in this Instrument, shall refer to the initial Trustee as well as to any successor Trustee(s).

All property now or hereafter subject to the terms of this Instrument shall constitute the Trust Estate, and shall be held, managed and distributed as hereinafter provided. This Instrument may be referred to and described as "**THE SHARON M. HAROLD IRREVOCABLE TRUST DATED** <sup>November</sup> ~~OCTOBER~~ 12, 2004".

**ARTICLE I**

**TRUST DECLARED TO BE IRREVOCABLE**

This Instrument is irrevocable and may not be amended or revoked in whole or in part by the Grantor or any other person.

**ARTICLE II**

**DISTRIBUTION OF INCOME AND PRINCIPAL**

**DURING GRANTOR'S LIFETIME**

**A. INCOME AND PRINCIPAL DISTRIBUTION**

The entire net income of the Trust Estate (or such lesser amounts thereof

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as the Grantor may direct the Trustee to pay to Grantor, the undistributed balance thereof to be added to principal of the Trust Estate) shall be paid in monthly or other convenient installments to or for the benefit of **SHARON M. HAROLD**, Grantor, during her life. If the Trustee shall deem the income to be insufficient, the Trustee shall pay to or apply for the benefit of Grantor as much of the principal of the Trust Estate as the Trustee shall, in the Trustee's discretion, deem necessary for her proper health, support, tax obligations, comfort, enjoyment, and welfare.

**B. INCAPACITY**

If at any time as certified in writing by a licensed physician, the Grantor has become physically or mentally incapacitated, whether or not a court of competent jurisdiction has declared her incompetent, mentally ill, or in need of a conservator, the Trustee shall apply for the Grantor's benefit the amounts of net income and principal necessary or desirable in the Trustee's discretion for the Grantor's health, support, tax obligations, comfort, enjoyment, and welfare until either the Trustee's determination or the certification in writing by a licensed physician that the incapacity is removed and the Grantor is again able to manage her own affairs. Any income in excess of the amount so applied for the benefit of the Grantor shall be added to principal

If a guardian or conservator of the person or the estate is appointed for the Grantor, the Trustee shall take into account any payments made for the Grantor's benefit by the guardian or conservator.

**ARTICLE III**

**DISTRIBUTION UPON DEATH OF GRANTOR**

**A. PAYMENT OF TAXES**

Upon the death of Grantor, all estate, inheritance or other death taxes, including interest and/or penalties thereon, arising by reason of the Grantor's death (but

excluding any generation-skipping transfer taxes) shall be paid by the Trustee of "THE SHARON M. HAROLD IRREVOCABLE TRUST DATED OCTOBER \_\_\_, 2004". Said Trustee, and not the Executor of Grantor's probate estate, shall be the party responsible for the preparation and filing of all estate tax returns required to be filed by reason of Grantor's death. All such payments shall be made from the residue of the Trust Estate without adjustment among the residuary beneficiaries, and shall not be charged against or collected from any other transferee, or any beneficiary under this Declaration of Trust or under Grantor's Last Will and Testament.

On the death of the Grantor, the Trustee shall be authorized to withhold distribution of an amount of property as a reserve sufficient, in the Trustee's discretion, to cover any debts, obligations or liability that may be imposed on the Trustee for payments required to be made under this Paragraph or otherwise.

**B. DISTRIBUTION OF PERSONAL PROPERTY**

Upon the death of Grantor, the Trustee shall distribute, free of trust, all furniture and furnishings, household goods, domestic articles and equipment, automobiles (other than business or commercial vehicles), wearing apparel, jewelry and tangible articles of personal use or adornment, together with any insurance on the above, as directed in the last written instructions given to the Trustee by the Grantor during the Grantor's lifetime, and in the event distribution of such items is not otherwise directed or if there are no such instructions, then this gift shall lapse and become a part of the rest, residue and remainder of the Trust Estate, to be distributed pursuant to the provisions of Paragraph C. of this ARTICLE III.

**C. DISTRIBUTION OF RESIDUE UPON DEATH OF THE TRUSTOR**

1. Upon the death of the Grantor, and undistributed income of the

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Trust Estate shall be added to and become principal. and the Trust Estate as then constituted shall be distributed by the Trustee. free of trust, in equal shares, to Grantor's children, namely, **CHARLES ANTHONY HAROLD, JR., JOHN JOSEPH HAROLD. JENIFER FRANCIS HAROLD-McWHIRTER, ANGEL MARY HAROLD, ROBERT JOHN HAROLD, AMY JANE HAROLD-AGUILAR, and JOSETTE MARIE HAROLD RAMIREZ.** In the event any beneficiary named above does not survive the Grantor, then that share shall be distributed, free of trust, to the deceased child's then living issue, by right of representation, or, if there are no such issue, then the share shall be distributed, free of trust, to Grantor's then living issue, by right of representation.

2. Notwithstanding any other provisions contained herein to the contrary, if the Trustee is directed to make payments or distribute trust property to a minor, a person under any other legal disability, or a person not adjudicated to have limited legal capacity but who, by reason of illness or mental or physical disability, is in the Trustee's judgment unable to manage the distributed property properly, the Trustee may, in the Trustee's discretion, make the payment or distribution to:

- a. The beneficiary directly.
- b. A legally appointed guardian or conservator of the beneficiary's person or estate.
- c. A custodian for the minor beneficiary under any applicable Uniform Transfers or Gifts to Minors Act to hold for the beneficiary until age eighteen (18). If no custodian exists for receipt of property under any applicable Uniform Transfers or Gifts to Minors Act, the Trustee may designate a custodian to receive the property.

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- d. A third party for the benefit of the beneficiary; or
- e. An adult relative or friend in reimbursement for amounts properly advanced for the beneficiary's benefit.

No distribution under this instrument to or for the benefit of a minor beneficiary shall discharge the legal obligation of the beneficiary's parents to support him or her in accordance with the laws of the state of the parents' domicile from time to time, unless a Court of competent jurisdiction determines that this distribution is necessary for the minor's support, health, or education.

3. If at the time before the final outright distribution of any property held in any trust created under this instrument, the Trustors and all of the Trustors' issue are deceased and no other disposition of the property is directed by this instrument, the Trustee shall distribute the property to the legal heirs of the Trustor, the identity and respective shares of those heirs to be determined in all respects as though the death of the Trustor had occurred at the time of the event requiring distribution. Distribution shall be according to the laws of succession of the State of California then in force relating to separate property not acquired from a previously deceased spouse.

#### **C. GENERAL POWER OF APPOINTMENT**

Grantor hereby retains a power to appoint the whole or any part of the Trust Estate (including both principal and any accrued or undistributed income) to the creditors of the Grantor's estate, as the Grantor shall determine in her absolute discretion. The Grantor shall exercise this power by will or codicil specifically referring to and exercising this general power of appointment. For purposes of this Paragraph C., "the creditors of the Grantor's estate" shall mean those persons or entities which present bona fide claims which are accepted for payment by the Grantor's executor or

by the Trustee of any trust created by the Grantor during her lifetime, or which a court of competent jurisdiction orders such fiduciary to pay. If this general power of appointment is not exercised by the Grantor, then upon the Grantor's death, the undistributed balance of the Trust shall thereupon be distributed to the Grantor's issue then living, by right of representation, and if there are no issue then living; provided, however, that if any portion of the Trust Estate would otherwise be distributed to a minor, a person under any other legal disability, or a person not adjudicated to have limited legal capacity but who, by reason of illness or mental or physical disability, is in the Trustee's judgment unable to manage the distributed property properly, that share shall instead be distributed by the Trustee pursuant to the provisions of **Paragraph C.2.** of **ARTICLE III** hereof.

#### **ARTICLE IV**

##### **GENERAL PROVISIONS AND POWERS OF THE TRUSTEE**

###### **A. PRIMARY PURPOSE**

The primary purpose of the Trust shall be to provide for the Grantor, and the rights and interests of remaindermen are subordinate and incidental to that purpose. To that end all the provisions governing the Trust shall be construed liberally in the interest of and for the benefit of the Grantor.

###### **B. PAYMENTS TO DISABLED BENEFICIARIES**

Payments of income and distributions of principal to which any beneficiary under legal disability becomes entitled may be made to the conservator or guardian of the estate or of the person of such beneficiary, or to the parent of such beneficiary if a minor, or may be applied by the Trustee for the benefit of such beneficiary.

###### **C. CHARGES TO TRUST ESTATE**

All property taxes, assessments, fees, charges and other expenses

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incurred by the Trustee in the administration or protection of this Trust, including the compensation of the Trustee, shall be a charge upon the Trust Estate and shall be paid by the Trustee in full out of the principal or in full out of the income of the Trust Estate, or partially out of each of them, in such manner and proportions as the Trustee in the Trustee's absolute discretion may determine to be advisable; and the determination of the Trustee with respect to all such matters shall be conclusive upon all persons howsoever interested in this Trust.

Any tax levied upon profit or gain which inures to the benefit of principal shall be paid out of principal, notwithstanding such tax may be denominated a tax upon income by the taxing authority.

**D. NO CONTEST CLAUSE**

If any beneficiary of any trust created under this Trust, or under a power of appointment created herein, singly or in conjunction with any other person:

1. Contests by a claim of undue influence, fraud, menace, duress, or testamentary incapacity, or otherwise objects in any court to the validity of any of the following documents or amendments or codicils thereto (hereafter 'Document' or 'Document') or of any of their provisions:

- a. Grantor's Will or any Codicil thereto;
- b. any trust created pursuant to the provisions of this Declaration of Trust or under a power of appointment granted hereunder;
- c. any beneficiary designation of an annuity, retirement plan, IRA, Keogh, pension or profit sharing plan or insurance policy signed by Grantor;

2. seeks to obtain adjudication in any court proceeding that a Document or any of its provisions is void, or otherwise seeks to void, nullify or set aside a Document or any of its provisions;

3. files suit on a creditor's claim filed in a probate of the estate of

Grantor, against Grantor's Trust Estate, or any other document, after rejection or lack of action by the respective fiduciary;

4. files a petition or other pleading to change the character (separate, joint tenancy, partnership, real or personal, tangible or intangible) of property already so characterized by a Document;

5. claims ownership in a court proceeding to any asset held in joint tenancy by Grantor, other than as a surviving joint tenant;

6. files a petition for probate homestead in a probate proceeding of Grantor's estate;

7. files a petition for family allowance in a probate of Grantor's estate;  
or

8. participates in any of the above actions in a manner adverse to the Trust Estate, such as conspiring with or assisting any person who takes any of the above actions. then the right of such beneficiary to take any interest given to him or her under this Trust, or any trust created pursuant to this Trust, or under a power of appointment created herein, shall be determined as it would have been determined had such beneficiary predeceased Grantor without surviving issue.

The Trustee is hereby authorized to defend, at the expense of the Trust Estate, any violation of this paragraph. Notwithstanding the foregoing a 'contest' shall include any action described above in an arbitration proceeding and shall NOT include any action described above solely in a mediation not preceded by the filing of a contest with the court.

Notwithstanding the foregoing, this paragraph shall not apply so as to cause a forfeiture of any distribution otherwise qualifying for the federal estate tax charitable deduction.

**E. PRINCIPAL AND INCOME LAW**

Except as otherwise specifically provided in this Instrument, the determination of all matters with respect to what is principal and income of the Trust Estate and the apportionment and allocation of receipts and expenses between these accounts shall be governed by the provisions of the California principal and income law from time to time existing.

**F. POWERS OF THE TRUSTEE**

To carry out the purposes of the Trust, and subject to any limitation stated elsewhere herein, the Trustee and any successor Trustee are hereby vested with the following powers and discretions, in addition to those now or hereafter conferred by law:

1. To enter upon and take possession of any trust property and collect and receive the moneys, interests, dividends, profits and other income arising therefrom, and to maintain, manage, invest and reinvest any and all property belonging to the Trust Estate as in the judgment and discretion of the Trustee may seem most advantageous to the Trust Estate and the beneficiaries thereof.

2. To vote, in person or by proxy, with respect to any and all shares of stock in any and all corporations at any time and at all meetings of shareholders, for any and all purposes, without any limitations whatsoever.

3. To borrow money and/or, in such manner and in accordance with such procedure, and through such means or agency as it may deem advisable, to mortgage, pledge, hold margin accounts, transfer in trust or otherwise encumber and/or render liable the whole or any part of the Trust Estate.

4. To lend money to any person, including Grantor's probate estate, provided any such loan shall be adequately secured and shall bear a reasonable rate of interest.

5. To purchase property at its fair market value, as determined by the Trustee in the Trustee's discretion, from Grantor's probate estate.

6. To lease the Trust Estate, or any part thereof, for terms within or extending beyond the duration of this Trust, and to grant for like terms, the right to mine or drill for and remove therefrom gas, oil, or other minerals; to create restrictions, easements or other servitudes thereon.

7. To retain any property and to continue to operate any business which the trust may receive hereunder as long as in the Trustee's discretion it may deem advisable or expedient.

8. To manage, control, sell, convey, exchange, partition, divide, subdivide, improve or repair any and all property of the Trust Estate; in connection with such property, to grant options and to sell upon deferred payments; provided, however, that real property of the Trust Estate shall not be sold without the express approval of the then income beneficiary of the trust.

9. To exercise any right, option or privilege to convert bonds, notes, stocks or other securities belonging to the Trust Estate into other bonds, notes, stocks or other securities. To make, execute and deliver any and all instruments in writing as may be necessary or proper to carry out any disposition whatsoever of any property held in the Trust Estate. Purchasers and other persons who shall pay any moneys to the Trustee shall be exempt from all responsibility with respect to the application of the same and from the necessity of inquiring into the regularity, validity or propriety of any disposition made or purported to be made under the Trust or pursuant to any powers contained in this Trust.

10. All property taxes, assessments, fees, charges and other expenses incurred by the Trustee in the administration or protection of this Trust, including the compensation of the Trustee, shall be a charge upon the Trust Estate and shall be paid

by Trustee in full out of the principal or in full out of the income of the Trust Estate, or partially out of each of them, in such manner and proportions as the Trustee in Trustee's absolute discretion may determine to be advisable, prior to the final distribution of the Trust property; and the determination of Trustee with respect to all such matters shall be conclusive upon all persons howsoever interested in this Trust.

11. To employ counsel to assist and advise in the management, preservation and administration of the Trust Estate; and to compromise, arbitrate, settle, or litigate any matters pertaining thereto. The Trustee shall pay reasonable compensation therefor, and the same shall be charged against income and/or principal in such manner as the Trustee shall deem just and equitable.

12. To carry securities, or any other property, real, personal or mixed, in the name of Trustee, or in the name of a nominee or nominees of Trustee. To carry insured bank and savings and loan accounts of all kinds without other limitation.

13. To construe this Instrument, and any action taken by the Trustee or anyone relying upon any such construction shall be deemed proper and the Trustee and any such person so relying shall be fully protected, even though it may be subsequently determined that such construction was erroneous. In any proceeding involving the construction, operation or other legal effect of this Trust, the then living vested beneficiaries, if any, shall represent all unknown and undetermined beneficiaries; and any order, judgment or decree rendered in such proceeding shall be binding, not only upon such persons, but also upon all unknown and undetermined beneficiaries.

14. Whenever the Trustee is authorized or required under this Trust to distribute the trust fund, in whole or in part, the Trustee, unless required otherwise in this Declaration of Trust, is authorized to make such distributions pro rata in kind or in



money, or mixed, and to allot specific securities or property as undivided interests therein to the beneficiary if the property is indivisible.

15. To budget the estimated annual income and expenses of the trust in such manner as to equalize, as far as practical, periodical income payments, if any, to the beneficiary thereunder, provided adjustments are made for actual income and expenses of the trust, as defined herein, at least annually.

16. To do all other acts and things whatsoever that an absolute owner of such property could do and perform in his/her own right as the Trustee shall deem to be for the best interests of the Trust hereunder and the beneficiaries thereof.

17. Except as otherwise specifically provided herein, the determination of all matters with respect to the term "net income" for income distribution purposes as used herein shall be governed by the Principal and Income Law of the State of California from time to time existing.

Any such matter not provided for in the Principal and Income Law shall be determined by the Trustee in the Trustee's discretion.

18. All discretions in this Trust conferred upon the Trustee shall, unless specifically limited, be absolute and its exercise conclusive on all persons interested in this Trust or the Trust Estate. The enumeration of certain powers and discretions of the Trustee is not to be construed as limiting the Trustee's general powers and discretions, the Trustee being vested with and having, as to the Trust Estate, and in the execution of the trusts created herein, all the powers and discretions that an absolute owner of property has or may have.

**G. NOTICE OF EVENTS**

Until the Trustee receives written notice of any birth, death, marriage, dissolution of marriage or other event upon which the right to receive payments from the Trust Estate may depend, the Trustee shall incur no liability for disbursements of

principal or income made in good faith to any person whose interest may have been affected by that event.

**H. ENFORCEABILITY**

If any provision of this Instrument shall be unenforceable, the remaining provisions shall nevertheless be carried into effect.

**I. CALIFORNIA LAW**

This trust has been accepted by the Trustee in the State of California, and unless otherwise provided in this Instrument, or required by the laws of another state where property is situated, its validity, construction and all rights hereunder shall be governed by the laws of California. This Paragraph shall apply regardless of any change of residence of the Trustee or any beneficiary, or appointment or substitution of a Trustee residing in another state.

**J. PERPETUITIES CLAUSE**

Unless sooner terminated in accordance with other provisions of this Instrument, each trust created under this Instrument, or through the exercise of a power of appointment granted under this Instrument, shall terminate upon the expiration of the longer of the periods provided by the statutory rule against perpetuities, Article 2 (commencing with Section 21205) of Chapter 1 of Part 2 of Division 11 of the California Probate Code. All principal and undistributed income of any trust so terminated shall be distributed to the then income beneficiaries of that trust in the proportions in which they are, at the time of termination, entitled to receive the income; provided, however, that if the rights to income are not then fixed by the terms of the trust, distribution under this clause shall be made, by right of representation, to such issue of Grantor as are then entitled or authorized in the Trustee's discretion to receive income payments. or, if there are no such issue of Grantor, in equal shares to those beneficiaries who are then entitled or authorized to receive income payments.

**K. SPENDTHRIFT CLAUSE**

Neither the principal of any trust created hereunder nor the income therefrom while in the hands of Trustee shall be subject to assignment, alienation, pledge, attachment, execution or claims of creditors of any beneficiary or beneficiaries whomsoever through legal process, bankruptcy, operation of law or otherwise. Any attempted sale, assignment, alienation, pledge or attachment of the principal or income held in any trust hereunder shall be null and void and shall not be recognized under any circumstances by Trustee.

In the event of any attempted sale, assignment, alienation, pledge, attachment, execution or claim resulting from an act of a beneficiary or beneficiaries, voluntarily, involuntarily, by operation of law, by bankruptcy or otherwise with respect to the principal or income of the Trust, the Trustee is authorized to withhold from such beneficiary or beneficiaries all or any part of any distribution otherwise payable thereunder to such beneficiary or beneficiaries until such attempted anticipation, voluntary or involuntary transfer or lien is completely removed, during which time Trustee may apply such distribution, or any part thereof, for the use and benefit of such beneficiary or beneficiaries in such amount or amounts and in such manner as Trustee, in Trustee's sole discretion, may determine is necessary for such beneficiary's health, education, maintenance and support, taking into consideration all financial resources of which the Trustee has actual knowledge.

**L. TRUST CERTIFICATION**

Any transfer agent or other person dealing with these trusts (hereinafter referred to as "third party") shall be entitled to rely upon a copy of those portions of this Instrument and any amendments thereto, setting forth the facing page, powers of Trustee and signature page, which partial copy shall be verified as a true copy of such portions then in effect by the Trustee then acting or by an attorney for the Trustee.

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Such third party shall incur no liability to these trusts, the Grantor or any beneficiary hereunder, or acting upon an order or request of the Trustee made pursuant to the terms hereof as set forth in such partial copy, and shall not be required to see to the disposition of any proceeds or the faithful discharge of the Trustee's duties hereunder. In no event shall any third party have access to a copy of the portion hereof setting forth the distribution of income and principal, except as may be determined in the absolute discretion of the Trustee.

**M. DEFINITIONS**

As used herein, the following words shall have the following definitions:

1. Whenever the context so indicates, the masculine shall include the feminine and neuter and vice versa, the singular shall include the plural, and the plural shall include the singular.

2. The words "issue", "grandchild" and derivations thereof in every instance shall include issue and grandchildren who were legally adopted prior to their attaining majority, and a child in gestation shall be considered as then living for purposes hereof if such individual is later born alive. An illegitimate child shall be treated as an issue of his or her mother for purposes of this Instrument, but shall not be treated as an issue of his or her father unless the parent and child relationship exists under the California Uniform Parentage Act existing from time to time.

3. The term "education" shall include, but not by way of limitation, private primary and secondary schooling, vocational training, study at an institution of higher learning, and graduate and professional education, to the extent any of such education is appropriately pursued in the discretion of the Trustee. A beneficiary's educational expenses shall encompass not only tuition, but also costs incidental to education such as, without limitation, books, travel, suitable clothing, and reasonable living expenses.

**ARTICLE V**  
**SUCCESSOR TRUSTEE**

**A. SUCCESSOR TRUSTEE**

In the event that **ROBERT G. HATCH** shall fail or cease to act as Trustee for any reason, then **WENDY HATCH OSTERHOLT**, shall act as Trustee hereof. In the event **WENDY HATCH OSTERHOLT** shall fail or cease to act as Trustee for any reason, or in the event of a subsequent vacancy in the office of Trustee for which provision has not been made herein, the then acting Trustee shall have the power to designate the Successor Trustee or Trustees, to serve with or without bond. In the event that a Successor Trustee is not otherwise appointed by the then acting Trustee, then any beneficiary or the guardian or conservator of any beneficiary of any trust created hereunder or any other interested party may secure the appointment of a successor Trustee by a court of competent jurisdiction at the proportionate expense of said trusts.

**B. INCAPACITY OF TRUSTEE**

If Trustee, is deemed physically or mentally incapacitated and, therefore, disqualified to continue serving as Trustee, a licensed physician shall sign a letter which is to be delivered to the Successor Trustee, stating in such letter that it is such doctor's opinion that the Trustee, is unable to properly carry on his/her affairs and function as Trustee. Such incompetency shall be deemed terminated if such doctor, or his/her successor, thereafter writes a letter stating that said Trustee is, in the opinion of such doctor, thereafter capable of carrying on the Trust affairs and functioning as Trustee.

**C. RESIGNATION**

Any Trustee may resign at any time upon giving written notice thirty (30) days before such resignation shall take effect, to the Grantor, or after the death of the

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Grantor, to the adult beneficiaries entitled to receive distributions of income or principal from the Trust Estate. The resigning Trustee shall transfer and deliver to the Successor Trustee the assets of the Trust Estate and shall thereupon be discharged as Trustee thereof and shall have no further powers, discretions, rights, obligations or duties with reference to them. All such powers, discretions, rights, obligations and duties of the resigning Trustee shall inure to and be binding upon such Successor Trustee. Any such Successor Trustee shall be entitled to accept as conclusive any accounting and statement of assets furnished to such successor by his/her predecessor.

**D. LIABILITY OF SUCCESSOR**

A Successor Trustee shall not be liable for the acts or omissions of any predecessor Trustee and shall have no duty to audit or investigate the accounts or administration of a predecessor Trustee or to take any action to obtain redress for a prior breach of trust unless expressly requested to do so in writing by an adult beneficiary or by the guardian or conservator or any other beneficiary of any trust hereunder created.

**F. BOND**

No individual Trustee shall be required to post bond or any other security for the faithful performance of any duties or obligations of such office.

**G. COMPENSATION OF TRUSTEE**

The Trustee shall be entitled to reasonable compensation for services rendered hereunder. The Trustee shall be reimbursed for any reasonable costs incurred in connection with such services herein, including legal, accounting, custodial, investment expenses, insurance and filing costs.

Such compensation of the Trustee shall be paid wholly from principal or

wholly from income or partly from each as the Trustee deems proper, and the determination of the Trustee shall be conclusive.

## **ARTICLE VI**

### **INVESTMENT MANAGER**

#### **A. AUTHORITY**

The Trustee is authorized, but not required, to retain the services of a professional investment manager.

The powers of any investment manager designated by the Trustee are fiduciary powers to be exercised in a fiduciary capacity and in the best interests of the Trust and the Beneficiaries. The investment manager shall have such discretion and authority as is delegated to it by the Trustee.

#### **B. RESIGNATION**

Any investment manager may resign at any time by giving written notice to the Trustee, by certified mail to the last known address of the Trustee, ninety (90) days before such resignation shall take effect. Upon such resignation, the Trustee shall have the power and authority to appoint a successor investment manager.

#### **C. REMOVAL OF MANAGER**

The Trustee shall periodically review any investment manager's performance and shall have the right to remove the investment manager at any time upon one (1) day's notice, with or without cause. At any time that there is no validly appointed investment manager, the Trustee shall perform all duties pertaining to investment management of the Trust Estate.

#### **D. LIABILITY OF SUCCESSOR**

No successor investment manager shall be in any way liable for any negligent or wrongful act or omission of its predecessors, but shall promptly report any such act or omission to the Trustee.

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E. AFFILIATES

The investment manager may be affiliated with the Trustee.

ARTICLE VII

COURT SUPERVISION AND TAX MATTERS

Any Trustee of the trust herein may, if they so desire, exercise any and all powers, and perform any and all acts without obtaining any orders of court either during the course of any such exercise or act or at the conclusion of any such exercise or act. It is Grantor's intention that none of the trusts herein shall be under permanent court supervision; provided, however, that the provisions of Chapter III of Division 9 of the California Probate Code (Section 17200 et seq.) shall be applicable to this trust.

ARTICLE IX

ADDITIONAL PROPERTY

Other property acceptable to the Trustee may be added hereto by any person, by a Will or Codicil of the Grantor, by the proceeds of life insurance, or otherwise, and shall thereupon be subject to all of the terms hereof.

IN WITNESS WHEREOF, the Trustee has executed this Declaration of Trust on this 21th day of <sup>November</sup>~~October~~, 2004.



\_\_\_\_\_  
ROBERT G. HATCH,  
Trustee



### APPROVAL OF GRANTOR

I, **SHARON M. HAROLD**, do hereby declare and state that I am the Grantor named in the above and foregoing Declaration of Trust; that the property and assets transferred by me to the Trustee therein named were so transferred to the Trustee in accordance with the above and foregoing Declaration of Trust; that I have carefully read said Declaration of Trust and it fully and clearly carries out my desires and intentions and fully and correctly states and sets forth the terms and provisions upon which the property therein mentioned or which may hereafter be added thereto is to be held, managed, and disposed of by the Trustee named therein and provided for; and I do hereby expressly agree and consent to, approve, ratify and confirm said Declaration of Trust in every respect.

Dated this 12th day of <sup>NOVEMBER</sup>~~October~~, 2004.  
*Sh*

*Sharon M. Harold*  
*SM Harold*

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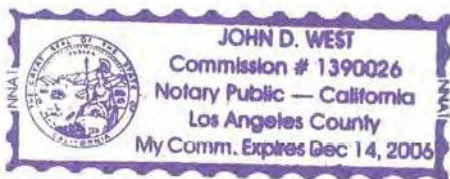
**SHARON M. HAROLD,**  
Grantor

State of California                    )  
County of Los Angeles            ) ss

On <sup>Nov</sup> ~~OCTOBER~~ 12, 2004, before me, John D West,  
Notary Public, personally appeared **ROBERT G. HATCH**, personally known to me (or  
proved to me on the basis of satisfactory evidence) to be the person whose name is  
subscribed to the within Instrument and acknowledged to me that he executed the  
same in his authorized capacity, and that by his signature on the Instrument the person,  
or the entity upon behalf of which the person acted, executed the Instrument.

John D West  
Notary Public in and for  
the State of California

NOTARY SEAL

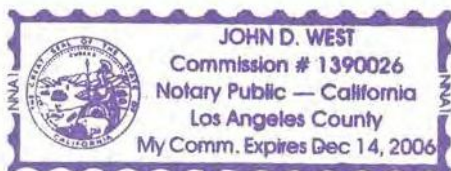


State of California                    )  
County of Los Angeles            ) ss

On <sup>Nov</sup> ~~OCTOBER~~ 12, 2004, before me, \_\_\_\_\_,  
Notary Public, personally appeared **SHARON M. HAROLD**, personally known to me (or  
proved to me on the basis of satisfactory evidence) to be the person whose name is  
subscribed to the within Instrument and acknowledged to me that she executed the  
same in her authorized capacity, and that by her signature on the Instrument the  
person, or the entity upon behalf of which the person acted, executed the Instrument.

John D West  
Notary Public in and for  
the State of California

NOTARY SEAL



GREENWALD, HOFFMAN, MEYER  
& MONTES, LLP  
ATTORNEYS AT LAW

SCHEDULE A  
TO  
DECLARATION OF TRUST  
OF  
THE SHARON M. HAROLD IRREVOCABLE TRUST  
DATED OCTOBER \_\_\_\_, 2004

1. CASH ..... \$10.00
2. RIGHT TO RECIVE ASSETS FROM THE JOSEPH A. DALEY FAMILY TRUST AS BENEFICIARY THEREOF.