

RECEIVED

JUL 01 2021

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Notice of Change in Water Right Ownership

IDWR/NORTH

1. List the numbers of all water rights and/or adjudication claim records to be changed. If you only acquired a portion of the water right or adjudication claim, check "Yes" in the "Split?" column. If the water right is leased to the Water Supply Bank, check "Yes". If you are not sure if the water right is leased to the Water Supply Bank, see #6 of the instructions.

Water Right/Claim No.	Split?	Leased to Water Supply Bank?	Water Right/Claim No.	Split?	Leased to Water Supply Bank?
96-2245	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐

2. Previous Owner's Name: Robert Judge
Name of current water right holder/claimant
3. New Owner(s)/Claimant(s): Ruby Rude
New owner(s) as listed on the conveyance document Name connector ☐ and ☐ or ☐ and/or
- 3547 DALVERN Way Coeur d'Alene ID 83815
Mailing address City State ZIP
- 208-666-6631 / Cell 755-7760
Telephone Email
4. If the water rights and/or adjudication claims were split, how did the division occur?
☐ The water rights or claims were divided as specifically identified in a deed, contract, or other conveyance document.
☐ The water rights or claims were divided proportionately based on the portion of their place(s) of use acquired by the new owner.
5. Date you acquired the water rights and/or claims listed above: March 2, 2009
6. If the water right is leased to the Water Supply Bank changing ownership of a water right will reassign to the new owner any Water Supply Bank leases associated with the water right. Payment of revenue generated from any rental of a leased water right requires a completed IRS Form W-9 for payment to be issued to an owner. A new owner for a water right under lease shall supply a W-9. Water rights with multiple owners must specify a designated lessor, using a completed Lessor Designation form. Beginning in the calendar year following an acknowledged change in water right ownership, compensation for any rental will go to the new owner(s).
7. This form must be signed and submitted with the following **REQUIRED** items:
☒ A copy of the conveyance document – warranty deed, quitclaim deed, court decree, contract of sale, etc. The conveyance document must include a legal description of the property or description of the water right(s) if no land is conveyed.
☐ Plat map, survey map or aerial photograph which clearly shows the place of use and point of diversion for each water right and/or claim listed above (if necessary to clarify division of water rights or complex property descriptions).
☐ Filing fee (see instructions for further explanation):
 o \$25 per *undivided* water right.
 o \$100 per *split* water right.
 o No fee is required for pending adjudication claims.
☐ If water right(s) are leased to the Water Supply Bank AND there are multiple owners, a Lessor Designation form is required.
☐ If water right(s) are leased to the Water Supply Bank, the individual owner or designated lessor must complete, sign and submit an IRS Form W-9.

8. Signature: Ruby M. Rude Trustee 7/1/2021
Signature of new owner/claimant Title, if applicable Date
- Signature: _____
Signature of new owner/claimant Title, if applicable Date

For IDWR Office Use Only:

Received by NS Date 7-1-21 Receipt No. N037132 Receipt Amt. \$2500

Active in the Water Supply Bank? Yes ☐ No ☐ If yes, forward to the State Office for processing W-9 received? Yes ☐ No ☐

Name on W-9 _____ Approved by _____ Processed by NS Date 7-1-21

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
**INSTRUCTIONS FOR FILING A
NOTICE OF CHANGE IN WATER RIGHT OWNERSHIP**

This form has been prepared to assist all claimants and owners of water rights to comply with the requirements of Sections 42-248 and 42-1409(6), Idaho Code. All persons owning or claiming ownership of a water right or claim are required to provide notice to the Department of Water Resources (IDWR) of any change in ownership of any part of the water right or claim or of any change in the owner's mailing address within 120 days of the change. Forms to report ownership changes and/or to update an address are available on IDWR's website at www.idwr.idaho.gov. In addition, all new owners of water rights within a pending general adjudication area must inquire whether a notice of claim has been filed and, if not, shall file a notice of claim if necessary.

A notice is required for changes in ownership from one individual to another, from an individual to a business entity (even if the business is owned by the individual), or from one business entity to another (even if both businesses are owned by the same individual). Adding or removing a name is considered an ownership change which requires the submission of evidence to support the change and the filing fee.

Separate brochures describing the adjudication of water rights and the ownership change notice requirement are available from IDWR. Please contact your nearest IDWR office if you would like more information or need help completing this form. A list of IDWR offices is on page 2 of these instructions, or you can call 1-800-451-4129. Water right information can be found on the department's website using the Water Right and Adjudication Search link at www.idwr.idaho.gov.

Please note:

- Unlike licensed or decreed water rights, which are real property, water right permits, applications for new water rights, and applications to transfer existing water rights are considered the personal property of the permit holders/applicants. Permit holders and applicants must assign their interest in a permit and/or application to the new owner. Assignment forms are available on the department's website at www.idwr.idaho.gov, or from any IDWR office. The fee for an assignment of permit is \$25. There is no charge for an assignment of application for permit or application for transfer.
- If you want to change or add a point of diversion, place of use, season of use, or purpose of use of a water right, you must file an Application for Transfer. The ownership of a water right can also be updated through the transfer process.
- The combined portions of a divided ("split") water right cannot exceed the total flow rate, volume, or period of use of the original right.
- IDWR has no jurisdiction concerning easements, rights-of-way, and zoning matters. The buyer and seller must make these provisions where necessary.

LINE INSTRUCTIONS:

1. If there are water rights associated with the property, the seller should be able to provide you with the water right or adjudication claim number(s). You may have purchased only a portion of the water right(s) held by the seller. If so, the water right(s) held by the seller may need to be divided ("split") to provide you your share of each right. Mark the box "Yes" if a division of the water right is required.

If you receive water from a municipal provider, an irrigation district or other water delivery organization, and the water rights are held by the organization, please do not use this form to record a change. Please contact the water delivery organization to determine if any action is necessary.

If you or the seller believes there are water rights for the property but you do not know the numbers, you may contact IDWR for assistance in identifying the water rights for the property in question. If adjudication claims for the rights are required and have not been filed, IDWR will so advise you.

2. Fill in the name of the current water right holder/claimant.
3. Fill in each name as listed on the conveyance document and complete the current contact information. For water rights, IDWR will update the ownership to the individual(s)/entities listed on the conveyance document. For active adjudication claims, IDWR will update the claimant information to match the conveyance document unless the new claimant provides good cause for the variance.
4. You may have acquired only a portion of the water right(s) held by the seller. If you did not acquire the entire water right/property, please check the appropriate box. Water rights are often conveyed as an appurtenance to the land where they are used, and the conveyance document for the land often does not have specific language regarding the water right. Please read your deed or other conveyance document carefully to be sure. When the conveyance document does not specifically address water rights, it will be assumed that the water rights are to be split proportionate to the amount of land acquired.

5. Indicate the date the water rights and/or adjudication claims were conveyed to you. This may be the date of closing in the case of a real estate transaction, the date a contract was signed, or the date of a court order.

6. If you are unsure about the status of your water right in the Water Supply Bank, go to: www.idwr.idaho.gov/apps/ExtSearch/WSBSearch/WSBSearch.aspx, input your water right number and click "Search." If you find your water right is in the Water Supply Bank and you want to release it so you can use it, you can download the Request to Release form from the forms portion of our website: www.idwr.idaho.gov. Your water right may not be available for immediate release if rented by another water user.

7. ATTACHMENTS:

IDWR cannot process this change without **documentation of ownership**. The documentation may be in the form of a deed, court decree or other conveyance document. If you are submitting a quitclaim deed and the grantor's name does not match the water right holder of record, you will need to provide a chain of title that goes back to the water right holder/claimant of record. You may obtain this information from the assessor's office in the county where the property is located. Items that are **not** conveyance documents are deeds of trust, mortgages, purchase and sales agreements, and property tax notices.

Submit a **plat map, survey map, or aerial photograph** of the place of use for each water right or claim listed in item #1 (if necessary to clarify division of water rights or complex property descriptions). If your right(s) and/or adjudication claim(s) is for ten or more acres of irrigation, you must submit a USDA Farm Service Agency or equivalent aerial photograph with the irrigated acres outlined and point(s) of diversion clearly marked. You also have the option of printing a map using the map tool on IDWR's website at: www.idwr.idaho.gov. It is not necessary to obtain a new survey for purposes of this form before contacting IDWR.

The Idaho Legislature has waived the fee to file a Notice of Change in Water Right Ownership for any water right pending in a general water right adjudication such as the Snake River Basin Adjudication or the Northern Idaho Adjudication. This waiver ends when a partial decree is issued for the water right that has been claimed. For water rights not pending in a general adjudication, the **filing fee** is \$25 per water right, except for those water rights that will be divided as a result of the change in ownership. The filing fee for division of a water right is \$100 per water right.

If the water right is leased to the Water Supply Bank and there is more than one owner, a **Lessor Designation** form must be completed to specify who the designated lessor will be. Each of the owners must sign the Lessor Designation form.

An **IRS Form W-9** is required for all ownership changes pertaining to water rights leased to the Water Supply Bank. Refer to instructions in section 6 above to determine if the water right undergoing an ownership change is leased to the Water Supply Bank. An IRS W9 form can be downloaded from the Department's website: www.idwr.idaho.gov.

8. One of the new owner(s) must sign the form in the space(s) provided. If someone other than the owner signs the notice, evidence of authority to sign for the owner must be attached. If the new owner is a corporation or other organization, the person signing the notice must be an officer of the corporation or otherwise have authority to sign for the organization and must include their title with the signature.

When you have completed the Notice of Change in Water Right Ownership, retain a copy and **file the original form, necessary attachments, and filing fee with the IDWR office nearest you. Ownership changes for water rights leased to the Water Supply Bank should be sent to the State Office.**

✓ IDWR Northern Region
7600 N Mineral Dr, Ste 100
Coeur d'Alene, ID 83815-7763
(208) 762-2800

IDWR Eastern Region
900 N Skyline Dr, Ste A
Idaho Falls, ID 83402-1718
(208) 525-7161

IDWR Western Region
2735 Airport Way
Boise, ID 83705-5082
(208) 334-2190

IDWR Southern Region
650 Addison Ave W, Ste 500
Twin Falls, ID 83301-5858
(208) 736-3033

~ OR ~

IDWR State Office
322 East Front St, 6th Floor
P.O. Box 83720
Boise, ID 83720-0098
(208) 287-4800

COPY

RECORDING REQUESTED BY AND MAIL TO:
Callahan & Associates, Chtd.
PO Box 2226
Coeur d'Alene ID 83816-2226

635947

FILED BY
Callahan & Associates
2003 OCT -9 10:31
300
MARIE SCOTT
BONNER COUNTY RECORDER

REAL PROPERTY DEED TO TRUST

LEO ELTON RUDE and RUBY MARTHA RUDE, husband and wife, do hereby grant and convey for valuable consideration to the TRUSTEE, LEO AND RUBY RUDE LIVING TRUST, all of their REAL PROPERTY interest now held or hereafter acquired in the following described real property:

South 1/2 of the Southeast 1/4 of Section 3, Township 56 North, Range 3
W.B.M., Bonner County, Idaho;
Less two (2) acres in the Northwest corner of the Southeast 1/4 of said section 3.

To have and hold the said REAL PROPERTY as TRUSTEE. The TRUSTEE is LEO ELTON RUDE and RUBY MARTHA RUDE. The Grantor of this REAL PROPERTY DEED TO TRUST is also the beneficiary of the LEO AND RUBY RUDE LIVING TRUST. The address of the grantee is 7128 Rude Street, Dalton Gardens, Idaho 83815

Dated this 29 day of Sept, in the year 2003.

Leo E. Rude
LEO E. RUDE

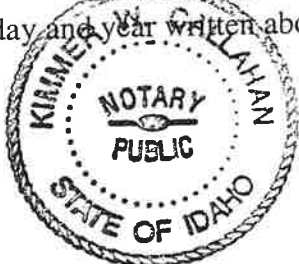
Ruby M. Rude
RUBY M. RUDE

STATE OF IDAHO

COUNTY OF KOOTENAI

On this 29 day of Sept, in the year 2003, before me the undersigned Notary Public in and for the State of Idaho, personally appeared LEO ELTON RUDE and RUBY MARTHA RUDE, husband and wife, known to me to be the persons whose names are subscribed herein, and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year written above.



[Signature]
Notary Public for Idaho

EXPIRES 1/10/09

COPY

LEO AND RUBY RUDE LIVING TRUST

Prepared by:
CALLAHAN & ASSOCIATES, Chtd.

P.O. Box 2226
Coeur d'Alene, Idaho 83816 2226
(208) 664 9228

LEO AND RUBY RUDE LIVING TRUST
TRUST AGREEMENT

This TRUST AGREEMENT is made by and between the SETTLORS, LEO ELDON RUDE and RUBY MARTHA RUDE, and the TRUSTEE, LEO ELDON RUDE and RUBY MARTHA RUDE.

ARTICLE I
PRIMARY PROVISIONS

1.1 DECLARATION OF TRUST

LEO ELDON RUDE and RUBY MARTHA RUDE hereby declare, agree and acknowledge that they are acting as SETTLORS to establish and settle the LEO AND RUBY RUDE LIVING TRUST under the terms and provisions of this TRUST AGREEMENT.

1.2 FULL NAMES OF SETTLORS

The legal names of the SETTLORS are LEO ELDON RUDE, also known as "ELDON RUDE", and RUBY MARTHA RUDE, also known as "RUBY RUDE".

1.3 FORM OF TITLE

The title of each item of property transferred to the LEO AND RUBY RUDE LIVING TRUST shall be held as "Trustee, LEO AND RUBY RUDE LIVING TRUST." Provided, that title of any item of property may also be held by the LEO AND RUBY RUDE LIVING TRUST in any other form which designates ownership by the TRUSTEE or the TRUST.

Provided, the TRUSTEE shall have the power to hold accounts, securities, or other property in the name of the TRUST, in the name of the TRUSTEE as TRUSTEE, in the TRUSTEE's own name, or in the name of a nominee, or the TRUSTEE may hold securities unregistered in such condition that ownership will pass by delivery.

1.4 ADDRESS OF THE TRUST

The address of the TRUST is 7128 Rude Street, Dalton Gardens, Idaho 83815.

1.5 NAMING THE TRUSTEE

During their joint lifetimes the TRUSTEE will be: LEO ELDON RUDE and RUBY MARTHA RUDE. Upon the death or incapacity of either TRUSTEE, the survivor of them shall continue to serve as TRUSTEE. Except as otherwise provided in this Trust Agreement, in the event

any TRUSTEE or any successor as herein defined should fail to qualify as TRUSTEE hereunder, should resign, or for any reason should cease to act in such capacity, creating for any reason a vacancy in the office of TRUSTEE, the following shall act as successor or substitute TRUSTEE:

LISA RUDE

or as the SETTLORS may otherwise direct jointly during their lifetimes, such designation in a written notice to the TRUSTEE.

In the event LISA RUDE should fail to qualify as TRUSTEE hereunder, should resign, or for any reason should cease to act in such capacity, creating for any reason a vacancy in the office of TRUSTEE, the following person shall act as successor or substitute TRUSTEE:

VALERIE HILLIARD

or as the SETTLORS may otherwise direct jointly during their lifetimes, such designation in a written notice to the TRUSTEE.

In the event LISA RUDE should fail to qualify as TRUSTEE hereunder, should resign, or for any reason should cease to act in such capacity, creating for any reason a vacancy in the office of TRUSTEE, the following person shall act as successor or substitute TRUSTEE:

WANDA MINGUS

or as the SETTLORS may otherwise direct jointly during their lifetimes, such designation in a written notice to the TRUSTEE.

Each TRUSTEE shall have the power to act independently or together with the other TRUSTEE.

Each TRUSTEE shall have all powers to act granted under the TRUST AGREEMENT and Idaho law. A TRUSTEE has the power to perform, without court authorization, every act which a prudent man would perform, including, but not limited to, the following:

1. to acquire assets, including real estate in the name of the TRUST, and to sell, convey or dispose of an asset, for cash or on credit; and to encumber, mortgage, or pledge a TRUST asset;
2. to borrow money to be repaid from TRUST assets; and
3. to invest with TRUST assets, without restriction, in stocks, bonds, futures, options, and mutual funds; and to maintain margin accounts.

The SETTLORS, or the survivor, shall have the power to appoint a co-trustee or successor trustee by an instrument signed, dated and delivered to the TRUSTEE, and by the same method may revoke such appointments and make new ones.

1.6 CHILDREN

At the date of the Trust Agreement, LEO ELDON RUDE has the following living children whose names and dates of birth are as follows:

WANDA MINGUS

Born April 2, 1957;

VALERIE HILLIARD

Born June 28, 1959; and

LISA RUDE

Born March 31, 1965.

At the date of the Trust Agreement, RUBY MARTHA RUDE has the following living children whose names and dates of birth are as follows:

WANDA MINGUS

Born April 2, 1957;

VALERIE HILLIARD

Born June 28, 1959; and

LISA RUDE

Born March 31, 1965.

1.7 DISTRIBUTIONS OF PERSONAL PROPERTY ACCORDING TO LIST

Following the death of either SETTLOR, and before any division into shares, the TRUSTEE or SUCCESSOR TRUSTEE shall first distribute any item of property specifically listed on any personal property list or lists attached to or kept with this TRUST AGREEMENT which identifies the item of property and the person who is to receive such property. Any such list shall be dated and signed by the SETTLOR, or be in their own handwriting and shall be incorporated in this TRUST AGREEMENT by reference.

1.8 SPECIFIC DISTRIBUTIONS OF PERSONAL PROPERTY

Upon the death of the surviving SETTLOR, the SUCCESSOR TRUSTEE shall make the following specific distributions of trust property to the named persons immediately and directly, without the necessity of approval from anyone or any court:

The Church of Christ, Dalton Gardens, Idaho, or the church that the SURVIVING SPOUSE is attending at the time of the SURVIVING SPOUSE'S death, shall receive a sum equal to Ten (10%) percent of the value of the trust estate, after first paying all taxes and expenses, and excluding the value of any real estate holdings.

1.9 DISTRIBUTING THE TRUST PROPERTY AT LEO ELDON RUDE'S DEATH

(By-Pass Trust with overflow QTIP Trust)

Upon the death of LEO ELDON RUDE, and after first paying all taxes and expenses and making all specific distributions of trust property, the SUCCESSOR TRUSTEE shall:

If RUBY MARTHA RUDE survives me, continue to hold my interest in any community property and all my separate property and divide such property (which shall include any property which may be added from LEO ELDON RUDE's general estate) into Two (2) separate shares, hereinafter designated as the "QTIP Trust" and the "Family By-Pass Trust", as follows:

(1) The "QTIP Trust" shall be composed of cash, securities or other property of the Trust Estate (undiminished by any estate, inheritance, succession, death or similar taxes) having a value equal to the smallest amount which, by virtue of being allowed as a marital deduction, would

result in the least possible federal estate tax on my estate, after taking into account the marital deduction allowed to my estate for all property which passes or has passed to RUBY MARTHA RUDE under other provisions of this instrument or otherwise, all other deductions allowed to my estate, the unified credit, adjusted taxable gifts, the state death tax credit against such tax (but only to the extent that the use of such state death tax credit does not increase the death tax payable to any state), and the credit for tax on prior transfers. The "QTIP Trust" share shall be held In Trust and administered under the Article entitled "QTIP TRUST".

(2) The "Family By-Pass Trust" shall be the balance of LEO ELDON RUDE's interest in any community property and separate property, after the assets have been selected for the "QTIP Trust". The "Family By-Pass Trust" share shall be held In Trust and administered under the Article entitled "FAMILY BY-PASS TRUST".

If RUBY MARTHA RUDE does not survive me, or upon the death of RUBY MARTHA RUDE, distribute my interest in any community property and all my separate property to my children in equal separate shares, immediately and directly, without the necessity of approval from anyone or any court.

1.10 DISTRIBUTING THE TRUST PROPERTY AT RUBY MARTHA RUDE's DEATH

(By-Pass Trust with overflow QTIP Trust)

Upon the death of RUBY MARTHA RUDE, and after first paying all taxes and expenses and making all specific distributions of trust property, the SUCCESSOR TRUSTEE shall:

If LEO ELDON RUDE survives me, continue to hold my interest in any community property and all my separate property and divide such property (which shall include any property which may be added from RUBY MARTHA RUDE's general estate) into Two (2) separate shares, hereinafter designated as the "QTIP Trust" and the "Family By-Pass Trust", as follows:

(1) The "QTIP Trust" shall be composed of cash, securities or other property of the Trust Estate (undiminished by any estate, inheritance, succession, death or similar taxes) having a value equal to the smallest amount which, by virtue of being allowed as a marital deduction, would result in the least possible federal estate tax on my estate, after taking into account the marital deduction allowed to my estate for all property which passes or has passed to RUBY MARTHA RUDE under other provisions of this instrument or otherwise, all other deductions allowed to my estate, the unified credit, adjusted taxable gifts, the state death tax credit against such tax (but only to the extent that the use of such state death tax credit does not increase the death tax payable to any state), and the credit for tax on prior transfers. The "QTIP Trust" share shall be held In Trust and administered under the Article entitled "QTIP TRUST".

(2) The "Family By-Pass Trust" shall be the balance of LEO ELDON RUDE's interest in any community property and separate property, after the assets have been selected for the "QTIP Trust". The "Family By-Pass Trust" share shall be held In Trust and administered under the Article entitled "FAMILY BY-PASS TRUST".

If LEO ELDON RUDE does not survive me, or upon the death of LEO ELDON RUDE, distribute my interest in any community property and all my separate property to my children in equal separate shares, immediately and directly, without the necessity of approval from anyone or any court.

1.11 RIGHT OF REPRESENTATION

It is the intent of the SETTLORS that a right of representation shall exist for any child of a child of either SETTLOR who leaves issue then living. If a child of a SETTLOR predeceases the SETTLORS, then such child's share shall be divided into equal separate shares so as to provide One (1) share for each child of the deceased child who survives the deaths of the SETTLORS. If the deceased child predeceases the SETTLORS and leaves no issue, such child's share shall lapse.

The share of any child of a deceased child of a SETTLORS may be held In Trust in the sole discretion of the SUCCESSOR TRUSTEE and used exclusively for the child's health, maintenance, education and support so long as such child is under the age of Twenty-one (21) years of age.

ARTICLE II
ADMINISTRATION DURING SETTLORS' LIVES

2.1 SETTLORS' RIGHTS TO AMEND, CHANGE OR REVOKE THE TRUST

(A) Both SETTLORS may, during their joint lives, by signed instrument(s) delivered to the TRUSTEE:

(1) Change the beneficiaries and remaindermen, their respective shares and the plan of distribution;

(2) Amend this Trust Agreement in any other respect;

(3) Revoke this Trust in its entirety or any provision therein; provided, however, the duties and responsibilities of the TRUSTEE shall not be enlarged without the TRUSTEE's consent nor without satisfactory adjustment of the TRUSTEE's compensation.

(B) The surviving SETTLOR, after the death of the first SETTLOR to die, may by signed instrument delivered to the Trustee, withdraw trust property, add trust property, change beneficiaries and remaindermen, and amend and/or revoke this trust and all sub-trusts, except those sub-trusts which are designated as irrevocable, in the manner provided for above.

(C) At the death of the first SETTLOR to die, the Disclaimer Trust, Family By-Pass Trust, QTIP Trust, and Children's Trust (if any are established) may be neither revoked nor amended. At the death of the surviving SETTLOR, this Trust and all sub-trusts may be neither revoked nor amended.

2.2 DISPOSITION OF INCOME AND PRINCIPAL DURING LIVES OF SETTLORS

(A) The TRUSTEE shall hold, administer and distribute the Trust Estate during the joint lives of the SETTLORS as follows:

(1) The TRUSTEE shall hold, manage, invest and reinvest the Community Estate (if any requires such management and investment) and shall collect the income, if any, therefrom and shall dispose of the net income and principal during the joint lives of the SETTLORS as follows:

(a) The TRUSTEE shall pay to or apply for the benefit of the SETTLORS as Community Property all the net income of the Community Estate.

(b) The TRUSTEE may pay to or apply for the benefit of the SETTLORS as Community Property such sums from the principal of the Community Estate as in its sole discretion shall be necessary or advisable from time to time for the health, education, support and maintenance of the SETTLORS, taking into consideration to the extent the TRUSTEE deems advisable any other income or resources of the SETTLORS known to the TRUSTEE.

(c) Either SETTLOR may at any time during the joint lives of the SETTLORS and from time to time withdraw all or any part of the principal of the Community

Estate, FREE OF TRUST, by delivering an instrument in writing duly signed by him or her to the TRUSTEE and to the other SETTLOR, describing the property or portion thereof desired to be withdrawn. Upon receipt of such instrument, the TRUSTEE shall thereupon convey and deliver to the SETTLORS, as Community Property, FREE OF TRUST, the property described in such instrument.

(2) The TRUSTEE shall hold, manage, invest and reinvest the Separate Estate of each SETTLOR (if any requires such management and investment) and shall collect the income, if any, therefrom and shall dispose of the net income and principal during the joint lives of the SETTLORS as follows:

(a) The TRUSTEE shall pay to or apply for the benefit of both SETTLORS as Community Property all of the net income of each SETTLOR's Separate Estate.

(b) The TRUSTEE may pay to or apply for the benefit of the SETTLOR who contributed such Separate Estate such sums from the principal thereof as in its sole discretion shall be necessary or advisable from time to time for the health, education, support and maintenance of such SETTLOR, taking into consideration to the extent the TRUSTEE deems advisable, any other income and resources of such SETTLOR known to the TRUSTEE.

(c) The SETTLOR who contributed such Separate Estate may at any time during the joint lives of the SETTLORS and from time to time withdraw all or any part of the principal of such Separate Estate, FREE OF TRUST, by delivering an instrument in writing duly signed by him or her to the TRUSTEE, describing the property or portion thereof desired to be withdrawn. Upon receipt of such instrument, the TRUSTEE shall thereupon convey and deliver to such SETTLOR as his or her Separate Property, FREE OF TRUST, the property described in such instrument.

(B) The TRUSTEE shall hold, administer and distribute the Trust Estate during the life of the Surviving SETTLOR as follows:

(1) The TRUSTEE shall pay all taxes and expenses associated with the death of the Deceased SETTLOR from the Deceased SETTLOR's interest in Community Property and/or Separate Property.

(2) The TRUSTEE shall distribute that portion of the Trust Estate designated to the Trustee of any sub-trusts created under the provisions of this Trust Agreement as a result of the death of the Deceased Spouse, immediately and directly without the approval of any one or any court.

(3) The TRUSTEE shall hold, administer and distribute the remaining Trust Estate as provided for in subparagraph (A) above.

2.3 DESCRIPTION OF PROPERTY TRANSFERRED AS COMMUNITY PROPERTY OR SEPARATE PROPERTY

Community Property transferred to the TRUSTEE by the SETTLORS, as invested and reinvested, together with the rents, issues and profits therefrom (hereinafter referred to as "the community estate") shall retain its character as Community Property during the joint lifetimes of the SETTLORS, subject, however, to the provisions of this Agreement.

Separate Property of either SETTLOR transferred to the TRUSTEE, as invested and reinvested, together with the rents, issues and profits therefrom (hereinafter referred to as "the separate estate") shall retain its character as Separate Property of the SETTLOR who transferred such property to the TRUSTEE, subject, however, to the provisions of this Agreement.

2.4 AUTHORIZATION FOR TRUSTEE TO DISTRIBUTE TO INCOMPETENT OR INCAPACITATED BENEFICIARY

In case the income or principal payment under any Trust created hereunder or any share thereof shall become payable to any beneficiary or remainderman under legal disability, or to any beneficiary or remainderman not adjudicated incompetent, but who, by reason of illness or mental or physical disability is, in the opinion of the TRUSTEE unable properly to administer such amounts, then such amounts shall be paid out by the TRUSTEE in such of the following ways as the TRUSTEE deems best.

- (1) Directly to such beneficiary or remainderman;
- (2) To the legally appointed guardian of such beneficiary or remainderman;
- (3) To some relative or friend for the health, education, support and maintenance of such beneficiary or remainderman;
- (4) By the TRUSTEE using such amounts directly for the health, education, support and maintenance of such beneficiary or remainderman.

2.5 SURVIVING SETTLOR AUTHORIZED TO USE RESIDENCE

Upon the death of the first SETTLOR to die, the surviving SETTLOR shall have the absolute right to continue to occupy all real property in the Trust Estate that the SETTLORS were using for residential purposes (whether on a full or part-time basis, including resort property); provided however, that the surviving SETTLOR in his or her discretion, may direct the TRUSTEE to sell any such property and replace it with or rent or lease another residence selected by the surviving SETTLOR of comparable or lower value.

ARTICLE III
TRUSTEE PROVISIONS

3.1 COMPENSATION OF TRUSTEE

(1) Individual Trustee. It is the SETTLORS intention that any individual trustee shall be paid a reasonable amount of compensation according to the nature of the property held in trust and the nature and quality of the services rendered. Any trustee may disclaim any and all compensation and serve without pay for any period to time or for the duration of the trust.

(2) Corporate Trustee. The SUCCESSOR TRUSTEE shall be entitled to receive compensation for its services in any fiduciary capacity under this TRUST in accordance with its schedule of rates, including minimum fees, published from time to time and in effect at the time the compensation is paid. Further, any such compensation shall be in addition to any fees and costs paid to attorneys, including CALLAHAN & ASSOCIATES, CHTD. and KIMMER W. CALLAHAN, accountants, brokers and other agents for services rendered and/or on behalf of this TRUST.

3.2 POWERS OF TRUSTEE TO DEAL WITH SETTLOR'S ESTATE, PAY DEBTS AND TAXES

After a SETTLOR's death, the TRUSTEE, if in its discretion it deems it advisable, may pay all or any part of such deceased SETTLOR's funeral and last illness expenses, legally enforceable claims against the SETTLOR or his or her estate, reasonable expenses of administration of his or her estate, any allowances by court order to those dependent upon such SETTLOR, any estate, inheritance, succession, death or similar taxes payable by reason of such SETTLOR's death, together with any interest thereon or other additions thereto, without reimbursement from such SETTLOR's Personal Representative, from any beneficiary of insurance upon such SETTLOR's life, or from any other person. All such payments, except of interest, shall be charged generally against the principal of the Trust Estate includable in such SETTLOR's estate for federal estate tax purposes and any interest so paid shall be charged generally against the income thereof except as follows:

(1) Any such payments of estate, inheritance, succession, death or similar taxes arising on the death of the first of the SETTLORS to die ("PREDECEASED SPOUSE") shall be charged against the principal constituting the Family By-Pass Trust, or if it is exhausted, against the QTIP Trust (if such trusts are created), and any interest so paid shall be charged against the income thereof;

(2) Any such payments for last illness and funeral expenses of the PREDECEASED SPOUSE shall be charged against the principal constituting the Family By-Pass Trust (if such trust is created);

(3) Any such payments for administration expenses attributable to the SURVIVING SPOUSE's share of Community Property administered in the estate of the PREDECEASED SPOUSE shall be charged against the remaining principal of this Trust; and

(4) Any such payments for legally enforceable claims that represent community obligations of the PREDECEASED SPOUSE and the SURVIVING SPOUSE shall be charged equally against the principal constituting the Family By-Pass Trust (if such trust is created) and the remaining principal of this Trust.

3.3 TRUSTEE MAY ACT INDIVIDUALLY OR JOINTLY

Either SETTLOR acting as TRUSTEE may execute the duties of TRUSTEE of this Trust either individually or jointly in the sole discretion of either or both from time to time during their joint lifetimes. Upon the death of one TRUSTEE, the survivor TRUSTEE shall continue to serve as sole TRUSTEE except as otherwise provided herein.

The SETTLORS, or the survivor, shall have the power to appoint a co-trustee or successor trustee by an instrument signed, dated and delivered to the TRUSTEE, and by the same method may revoke such appointments and make new ones.

3.4 GENERAL SUCCESSOR TRUSTEE POWERS

The SUCCESSOR TRUSTEE will succeed to the same powers as the TRUSTEE and take the office of trustee upon the death of the surviving TRUSTEE.

The SUCCESSOR TRUSTEE will also take the office of trustee and succeed to the same powers as the TRUSTEE upon the temporary or permanent disability of both SETTLORS or of the survivor of them, if both or either are serving as TRUSTEE at the onset of the disability.

If the SUCCESSOR TRUSTEE takes office under the foregoing provision, the SUCCESSOR TRUSTEE will cease to act and relinquish the office of trustee to such person upon recovery from the disability.

3.5 POWER OF TRUSTEE TO RESIGN

The TRUSTEE may resign this trusteeship during the SETTLORS' joint lifetimes or during the lifetime of the SURVIVING SPOUSE by giving the SETTLORS Thirty (30) days notice in writing delivered to the SETTLORS in person or mailed to the SETTLORS' last known address. Upon receipt of such notice, the SETTLORS shall appoint a successor TRUSTEE.

Upon the appointment of and acceptance by the successor TRUSTEE, the original TRUSTEE shall pay over, deliver, assign, transfer or convey to such successor TRUSTEE the Trust Property and make a full and proper accounting to the SETTLORS, whereupon its resignation shall become effective. The substitute or successor TRUSTEE upon acceptance of this Trust and the Trust Property shall succeed to and possess all the rights, powers and duties, authority and responsibility conferred upon the TRUSTEE originally named herein.

3.6 REMOVAL OF TRUSTEE

The TRUSTEE, and any successor TRUSTEE hereunder, may be removed as TRUSTEE at any time by either SETTLOR upon written notice to said TRUSTEE, without any necessity for any court proceeding.

3.7 SALES OF REAL PROPERTY BY SUCCESSOR TRUSTEE

Any sale of real property held In Trust by a SUCCESSOR TRUSTEE shall be made within a reasonable time after such sale is authorized by this TRUST.

It is the intent of the SETTLORS that the SUCCESSOR TRUSTEE shall acquire a reasonable value for all property sold. However, the pursuit of value shall be tempered by the SETTLORS' desire that the real property be liquidated to provide cash assets as soon as is practicable.

The SUCCESSOR TRUSTEE is authorized to employ any agents or other persons necessary to bring about such sale. Payment for such services shall be made out of either existing cash assets of the TRUST or from the proceeds of any sale of trust real property.

The SUCCESSOR TRUSTEE is further authorized to pay all costs and expenses for any sale from either existing cash assets of the TRUST or from the proceeds of such sale.

3.8. DISCRETIONARY POWERS OF TRUSTEE

By way of illustration and not of limitation and in addition to any inherent, implied or statutory powers granted to trustees generally, the TRUSTEE is specifically authorized and empowered with respect to any property, real or personal, at any time held under any provision of this Trust: to allot, allocate between principal and income, assign, borrow, buy, care for, collect, compromise claims, contract with respect to, continue any business of the Settlers or either of them, convey, convert, deal with, dispose of, enter into, exchange, hold, improve, incorporate any business of the SETTLORS or either of them, invest, lease, manage, mortgage, grant and exercise options with respect to, take possession of, pledge, receive, release, repair, sell, sue for, to make distributions or divisions in cash or in kind or partly in each without regard to the income tax basis of such asset and in general, to exercise all of the powers in the management of the Trust Estate which any

individual could exercise in the management of similar property owned in his or her own right, particularly including but not limited to dealing with any bank, stock brokerage or other financial institution, upon such terms and conditions as to the TRUSTEE may seem best, and to execute and deliver any and all instruments and to do all acts which the TRUSTEE may deem proper or necessary to carry out the purposes of this Trust, without being limited in any way by the specific grants of powers made, and without the necessity of a court order.

3.9 TRUSTEE AUTHORITY TO MANAGE AS ONE UNIT

The TRUSTEE is authorized to hold, manage, and invest the assets of the Trusts herein as one unit, maintaining the separateness of the Trusts by a bookkeeping and not by a physical segregation of assets.

The TRUSTEE may combine the assets of the separate Trusts established under this instrument for the purposes of more convenient administration or investment for any period of time, preserving the separate character of the beneficiaries' proportionate shares, and to merge the assets of any Trust hereunder with those of any other Trust, by whomsoever created, maintained for the same beneficiaries upon the same terms and having the same TRUSTEE.

3.10 WAIVER OF BOND FOR TRUSTEE

No person or corporation named herein as TRUSTEE in any Trust created hereby shall be required to give bond as such, but, if bond for any reason shall nevertheless be required by a proper court, the reasonable cost of such bond shall be paid out of said Trust.

ARTICLE IV
ADMINISTRATION AFTER DEATH OF SETTLORS

4.1 SIMULTANEOUS DEATH PROVISION

If the SETTLORS should die under circumstances which would render it doubtful as to which SETTLOR dies first, it shall be conclusively presumed for the purposes of this Trust that the husband died first. If any other beneficiary and a SETTLOR should die under such circumstances, it shall be conclusively presumed that said beneficiary predeceased such SETTLOR.

4.2 CHARACTER OF PROPERTY

Any property distributed from this TRUST to the named beneficiary or remaindermen shall be characterized and held as the sole and separate property of each beneficiary or remaindermen.

No spouse of any beneficiary or remaindermen shall have any right, interest or claim in or to the trust property either prior to or after distribution to the beneficiary or remaindermen.

4.3 DISTRIBUTIONS TO MINORS

Unless this Trust Agreement states otherwise, the trustee will delay outright distribution of any minor beneficiary's share, excluding personal effects, by continuing in a separate trust such minor's share, subject to the trustee's discretion to end a small trust. The trustee will add all income to principal and pay to or for the benefit of the minor beneficiary as much of the trust estate as the trustee deems appropriate for the minor beneficiary's health, education, support, or maintenance in the minor beneficiary's accustomed manner of living after taking into account the minor beneficiary's other income and resources known to the trustee and reasonably available for that purpose. When the minor beneficiary attains the age of majority, the trustee will distribute the trust estate to the beneficiary outright. If the minor beneficiary dies before distribution, the trustee will distribute the trust estate under the terms of this Trust Agreement as if the minor beneficiary had failed to survive the Settlor.

Provided however, the trustee, in his sole discretion, may deposit any cash, cash equivalents, securities, liquidated proceeds, or other liquid assets in a custodial account such as a Uniform Gift To Minor's Account or Uniform Transfer To Minor's Account. The trustee may serve as the custodian, or the trustee may appoint, in his sole discretion, another to act as custodian.

4.4 FAMILY BY-PASS TRUST

The SUCCESSOR TRUSTEE shall retain, as designated by the SETTLORS, In Trust the "Family By-Pass Trust" share as a separate trust and administer such trust as provided herein.

(1) The trust shall be referred to as the "Family By-Pass Trust". The trust shall have a principal place of administration in the state and county of the residence of the trustee, or as otherwise designated by the trustee from time to time. The trustee of this sub-trust shall be the TRUSTEE of this TRUST, or any other person or qualified corporate entity designated by the SUCCESSOR TRUSTEE.

(2) Commencing with the date of the PREDECEASED SPOUSE's death, the TRUSTEE shall pay to or apply for the benefit of the SURVIVING SPOUSE during his or her lifetime all the net income from this Sub-Trust in convenient installments but no less frequently than quarter-annually.

(3) If there is no principal remaining in the "QTIP Trust" then the TRUSTEE may pay to or apply for the benefit of the SURVIVING SPOUSE during his or her lifetime, such sums from the principal of this Sub-Trust as in its sole discretion shall be necessary or advisable from time to time for the health, education, support and maintenance of the SURVIVING SPOUSE, taking into consideration to the extent the TRUSTEE deems advisable, any other income or resources of the SURVIVING SPOUSE known to the TRUSTEE.

(4) If there is no principal remaining in the "QTIP Trust", then in addition to the income and discretionary payments of principal from this Trust, there shall be paid to the SURVIVING SPOUSE during his or her lifetime from the principal of this Trust upon the SURVIVING SPOUSE's written request during the last month of each fiscal year of the Trust an amount not to exceed during such fiscal year the amount of Five Thousand (\$5,000.00) Dollars or Five (5%) percent of the aggregate value of the principal of this Sub-Trust on the last day of such fiscal year without reduction for the principal payment for such fiscal year, whichever is greater. This right of withdrawal is noncumulative, so that if the SURVIVING SPOUSE does not withdraw, during such fiscal year, the full amount to which he or she is entitled under this Paragraph, his or her right to withdraw the amount not withdrawn shall lapse at the end of the fiscal year.

This power shall last so long as adverse federal estate tax consequences do not result in the SURVIVING SPOUSE's estate from such power; therefore, this power shall terminate if the protection provided by Section 2041(b) (2) of the Internal Revenue Code (or any amendments to or replacement thereof) is eliminated or substantially altered.

(5) After the death of the SURVIVING SPOUSE, the TRUSTEE shall distribute the remaining Trust Estate of this Sub-Trust as if the SURVIVING SPOUSE had predeceased the PREDECEASED SPOUSE as provided in Article I of this Trust Agreement.

4.5 QTIP TRUST

The SUCCESSOR TRUSTEE shall retain, as designated by the SETTLORS, In Trust the "QTIP Trust" share as a separate trust and administer such trust as provided herein.

(1) The trust shall be referred to as the "QTIP Trust". The trust shall have a principal place of administration in the state and county of the residence of the trustee, or as otherwise designated by the trustee from time to time. The trustee of this sub-trust shall be the TRUSTEE of this TRUST, or any other person or qualified corporate entity designated by the SUCCESSOR TRUSTEE.

(2) The TRUSTEE shall have the sole discretion to select the assets which shall constitute the "QTIP Trust". In no event, however, shall there be included in this "QTIP Trust" any asset or the proceeds of any asset which will not qualify for the federal estate tax marital deduction, and this "QTIP Trust" shall be reduced to the extent that it cannot be created with such qualifying assets. The TRUSTEE shall value any asset selected by the TRUSTEE for distribution in kind to the "QTIP Trust" hereunder at the value of such asset at the date of distribution to the "QTIP Trust" of such asset.

(3) Commencing with the date of the PREDECEASED SPOUSE's death, the TRUSTEE shall pay to or apply for the benefit of the SURVIVING SPOUSE during his or her lifetime all the net income from this Sub-Trust in convenient installments but no less frequently than quarter-annually. Any accrued and undistributed income at the death of the SURVIVING SPOUSE shall be paid to his or her Personal Representative.

(4) In addition, the TRUSTEE may pay to or apply for the benefit of the SURVIVING SPOUSE such sums from the principal of this Sub-Trust as in its sole discretion shall be necessary or advisable from time to time for the health, education, support and maintenance of the SURVIVING SPOUSE, taking into consideration to the extent the TRUSTEE deems advisable, any other income or resources of the SURVIVING SPOUSE known to the TRUSTEE.

(5) In addition to the income and discretionary payments of principal from this Trust, there shall be paid to the SURVIVING SPOUSE during his or her lifetime from the principal of this Trust upon the SURVIVING SPOUSE's written request during the last month of each fiscal year of the Trust an amount not to exceed during such fiscal year the amount of Five Thousand (\$5,000) Dollars or Five (5%) percent of the aggregate value of the principal of Trust C on the last day of such fiscal year without reduction for the principal payment for such fiscal year, whichever is greater. This right of withdrawal is noncumulative, so that if the SURVIVING SPOUSE does not withdraw, during such fiscal year, the full amount to which he or she is entitled under this Paragraph, his or her right to withdraw the amount not withdrawn shall lapse at the end of the fiscal year.

This power shall last so long as adverse federal estate tax consequences do not result in the SURVIVING SPOUSE's estate from such power; therefore, this power shall terminate if the protection provided by Section 2041 (b) (2) of the Internal Revenue Code (or any amendments to or replacement thereof) is eliminated or substantially altered.

(6) The SURVIVING SPOUSE may at any time by written notice, require the TRUSTEE either to make any nonproductive property of this Trust productive or to convert such nonproductive property to productive property within a reasonable time.

(7) Unless the SURVIVING SPOUSE's Will specifically provides that the estate, succession, death or similar taxes assessed with respect to the assets of this Sub-Trust be paid otherwise, the TRUSTEE shall pay to the Personal Representative of the estate of the SURVIVING SPOUSE for the purposes of paying such taxes, the amount by which such taxes assessed by reason of the SURVIVING SPOUSE's death shall be increased as a result of the inclusion of the assets of this Sub-Trust in his or her estate for such tax purposes.

(8) After the death of the SURVIVING SPOUSE, the TRUSTEE shall distribute the remaining Trust Estate of this Sub-Trust as if the SURVIVING SPOUSE had predeceased the PREDECEASED SPOUSE as provided in Article I of this Trust Agreement.

ARTICLE V
MISCELLANEOUS PROVISIONS

5.1 RIGHT OF REFORMATION

There shall exist an absolute right in the surviving SETTLOR and/or TRUSTEE to obtain judicial or non-judicial reformation of this TRUST so as to qualify for the maximum marital deduction. It is the SETTLORS' intent that judicial reformation be used only if necessary. In particular, but without limitation, the surviving SETTLOR and/or TRUSTEE shall have the right to reform this TRUST to conform it with the then existing requirements to allow a marital deduction for property passing to a non-citizen resident of the United States of America. This right to reformation is established pursuant to Internal Revenue Code Section 2056(d).

5.2 LOST REMAINDERMAN

The SUCCESSOR TRUSTEE shall use reasonable diligence to locate all children and REMAINDERMEN named in this TRUST. If a child or REMAINDERMAN cannot be located within one (1) year after the death of the SETTLOR then that child or REMAINDERMAN shall be treated as though he or she predeceased the SETTLOR and his or her share distributed according to the terms and conditions of this TRUST AGREEMENT.

5.3 MARITAL DEDUCTION SAVINGS CLAUSE

It is expressly provided that the grant of rights, powers, privileges and authority to the TRUSTEE in connection with the imposition of duties upon said TRUSTEE by any provision of this Trust or by any statute relating thereto, shall not be effective if and to the extent that the same, if effective, would disqualify the marital deduction. It is the SETTLORS' intention that the SURVIVING SPOUSE under the provisions herein have substantially that degree of beneficial enjoyment of the Trust Estate during his or her lifetime which the principles of the law of trusts accord to a person who is unqualifiedly designated as the life beneficiary of a Trust and the TRUSTEE shall not exercise its discretion in a manner which is not in accord with this expressed intention. The TRUSTEE shall invest the Trust Estate so that it will produce for the SURVIVING SPOUSE during his or her lifetime an income or use which is consistent with the value of the Trust Estate and with its preservation. It is expressly provided that the TRUSTEE shall not in the exercise of its discretion make any determination inconsistent with the foregoing especially in regard to and including but not limited to the powers granted herein and by any statute granting powers to a TRUSTEE.

5.4 SUSPENSION OF POWER OF ALIENATION

No SETTLOR or donee shall suspend the absolute power of alienation of real property by any limitation or condition whatever, for a longer period than during the continuance of the lives of persons in being at the time of the creation of the limitation or condition, and Twenty-Five (25) years thereafter.

A SETTLOR or donee may place any restraints on the alienation of personal property.

In the event a SETTLOR or donee suspends the absolute power of alienation of real property in violation of the provisions of this Article, the exercise of the power of appointment by the SETTLOR or donee shall be so construed as to eliminate those parts violating such provisions, and in such a way as to carry out the intention of the SETTLOR or donee to the greatest extent permissible by the provisions of this Article.

5.5 DEFINITION OF TRUSTEE

Whenever the word "TRUSTEE" or any modifying or substituted pronoun such as "it" therefor is used in this Trust, such words and respective pronouns shall be held and taken to include both the singular and the plural, the masculine, feminine and neuter gender thereof, and shall apply equally to the TRUSTEE named herein and to any successor or substitute TRUSTEE acting hereunder, and such successor or substitute TRUSTEE shall possess all the rights, powers and duties, authority and responsibility conferred upon the TRUSTEE originally named herein.

5.6 DEFINITION OF WORDS RELATING TO THE INTERNAL REVENUE CODE

As used herein, the words "gross estate," "adjusted gross estate," "taxable estate," "unified credit," "state death tax credit," "maximum marital deduction," "marital deduction," "by-pass," "qualified terminable interest," "qualified terminable interest property," and any other word or words which from the context in which it or they are used refer to the Internal Revenue Code shall be assigned the same meaning as such words have for the purposes of applying the Internal Revenue Code to a deceased SETTLOR's estate. Reference to Sections of the Internal Revenue Code and to the Internal Revenue Code shall refer to the Internal Revenue Code amended to the date of such SETTLOR's death.

5.7 DEFINITION OF CHILDREN

Except as limited in this TRUST AGREEMENT, for the purposes of this Trust, "children" means the lawful blood descendants in the first degree of the parent designated; and "issue" and "descendants" mean the lawful blood descendants in any degree of the ancestor designated; provided, however, that if a person has been adopted, that person shall be considered a child of such adopting parent and such adopted child and his issue shall be considered as issue of the adopting

parent or parents and of anyone who is by blood or adoption an ancestor of the adopting parent or either of the adopting parents. The terms "child," "children," "issue," "descendant" and "descendants" or those terms conditioned by the terms "living" or "then living" shall include the lawful blood descendant in the first degree of the parent designated even though such descendant is born after the death of such parent. However, for the purposes of the foregoing, an adopted person shall be considered as descended from the person referred to only if he or she has been adopted while under the age of Eighteen (18) years old.

5.8 LIMITATION ON COURT INTERVENTION

Each Trust created by this instrument shall be administered free from the active supervision of the court having jurisdiction over such Trust. This provision shall not limit the power of the TRUSTEE to take action for the judicial settlement of its accounts or the power of any beneficiary or remainderman to bring suit for an accounting.

In addition to the powers it would otherwise have by reason of any statute or rule of law, the TRUSTEE shall have power, without prior authorization or approval of any court, to do everything it shall consider advisable in the management of each Trust created by this instrument, even though it would not otherwise be authorized for a TRUSTEE under any statute or rule or law, including in this grant, without impairing its plenary nature.

5.9 SPENDTHRIFT CLAUSE

Except as otherwise provided herein, no principal or income payable or to become payable under this TRUST or any share thereof may be assigned or encumbered by any REMAINDERMAN or beneficiary, or be attached by or subject to the interference or control of any creditor of any REMAINDERMAN or beneficiary or reached by legal or equitable process in satisfaction of any debt or liability of any REMAINDERMAN or beneficiary prior to its actual receipt by any REMAINDERMAN or beneficiary.

In the event any such interest of any REMAINDERMAN or beneficiary is assigned, encumbered, attached, subject to interference or control by a creditor, reached by legal or equitable process in satisfaction of any debt or liability, all interest of such REMAINDERMAN or beneficiary shall immediately and forever terminate and lapse.

This SPENDTHRIFT CLAUSE shall not apply to the SETTLORS, who shall retain a general power of appointment over all trust property, except as otherwise provided under this Trust Agreement.

5.10 PENALTY FOR CONTESTING

The share or claim of any person contesting this TRUST shall immediately lapse.

Any person contesting this TRUST in any way shall forfeit all right and interest in the trust property. The determination of what constitutes a "contest" or whether any person is "contesting" this TRUST in any way shall be made in the sole and absolute discretion of the TRUSTEE.

If a REMAINDERMAN, any child of a REMAINDERMAN, any beneficiary or any party claiming any interest in this Trust, by himself or herself, or by and through any other person or instrumentality, shall in any way contest any aspect of this TRUST, such person or persons shall be thereby deprived of all beneficial interest hereunder and of any share in this TRUST.

5.11 LAW THAT GOVERNS

This TRUST AGREEMENT is executed and accepted under the laws of the State of Idaho, and shall be governed by such laws, however, the TRUSTEE shall have the discretion, exercisable at any later time and from time to time to administer the Trust pursuant to the laws of any jurisdiction in which the TRUSTEE may be domiciled by executing and acknowledging a written instrument to that effect and attaching the same to this TRUST AGREEMENT; and if the TRUSTEE so exercises the discretion as above provided, the TRUST(s) shall be governed by the laws of such other state or jurisdiction in which administered.

ARTICLE VI
EXECUTION

6.1 PLACE OF ADMINISTRATION AND REGISTRATION OF TRUST

The place of administration of this TRUST shall be Kootenai County, Idaho. Pursuant to Idaho Code Sections 15-7-101 -- 15-7-105, the TRUSTEE shall register the TRUST in Kootenai County, Idaho and all legal proceedings involving the LEO AND RUBY RUDE LIVING TRUST shall be in District Court in and for said County.

DATED this 29 day of Sept., in the year 2003.

Leo E. Rude
LEO E. RUDE, SETTLOR

Ruby M. Rude
RUBY M. RUDE, SETTLOR

Leo E. Rude
LEO E. RUDE, TRUSTEE

Ruby M. Rude
RUBY M. RUDE, TRUSTEE

STATE OF IDAHO

COUNTY OF KOOTENAI

On this 29 day of September, in the year 2003, before me, a Notary Public in and for the State of Idaho, personally appeared LEO ELTON RUDE and RUBY MARTHA RUDE, husband and wife, known to me to be the persons who subscribed their names to the within instrument, and acknowledged to me that they executed the same in their dual capacities as SETTLOR and TRUSTEE.

WITNESS my hand and official seal.

[Signature]
Notary Public for Idaho



EXPIRES 1/12/09

1833417

RECORDING REQUESTED BY AND MAIL TO:
Callahan & Associates, Chtd.
PO Box 2226
Coeur d'Alene ID 83816-2226

COPY

STATE OF IDAHO
COUNTY OF KOOTENAI
AT THE REQUEST OF _____
CALLAHAN & ASSOCIATES, Chtd.

2003 OCT -3 P 12:13

DANIEL J. ENGLISH

DEPUTY

FEES

18.00

STATEMENT OF REGISTRATION
LEO AND RUBY RUDE LIVING TRUST

Trust Agreement

The TRUST AGREEMENT of the LEO AND RUBY RUDE LIVING TRUST was made by and between the SETTLORS, LEO ELDON RUDE and RUBY MARTHA RUDE, and the TRUSTEE, LEO ELDON RUDE and RUBY MARTHA RUDE. The TRUST is a revocable inter vivos trust. The TRUST was executed on September 29, 2003.

Full Names Of Settlers

The full legal names of the SETTLORS are LEO ELDON RUDE and RUBY MARTHA RUDE.

Settlor As Beneficiary

The Beneficiary of the TRUST named herein is the SETTLOR(s) of the TRUST.

Place Of Administration And Registration Of Trust

The LEO AND RUBY RUDE LIVING TRUST shall be administered and is hereby registered in Kootenai County, Idaho, pursuant to Idaho Code Section 15-7-101. This TRUST has not been registered in any other location in Idaho or elsewhere.

Acknowledgment Of Trustee

The TRUSTEE is LEO ELDON RUDE and RUBY MARTHA RUDE. The TRUSTEE's address is 7128 Rude Street, Dalton Gardens, Idaho 83815. The TRUSTEE hereby acknowledge that they are acting in the office of TRUSTEE of the LEO AND RUBY RUDE LIVING TRUST.

Attached hereto are true and correct copies of those portion of the LEO AND RUBY RUDE LIVING TRUST which set forth the grantor, the grantor as beneficiary, the revocable character of the trust and signature page of the trust.

Further, the grantor has recorded a Real Property Deed To Trust in the Records of Kootenai County, Idaho which conveys the Grantors' residence to the TRUSTEE, LEO AND RUBY RUDE LIVING TRUST. The grantor is the owner-occupier of the residential property and uses the property as the primary dwelling place of the owner before April 15th.

1833417

Dated this 29 day of Sept., in the year 2003.

Leo E. Rude

LEO E. RUDE, TRUSTEE

Ruby M. Rude

RUBY M. RUDE, TRUSTEE

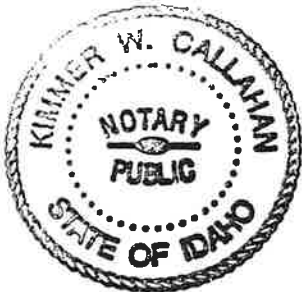
STATE OF IDAHO

COUNTY OF KOOTENAI

On this 29 day of September, in the year 2003, before me, a Notary Public in and for the State of Idaho, personally appeared LEO ELDON RUDE and RUBY MARTHA RUDE, husband and wife, known to me to be the persons who subscribed their names to the within instrument, and being by me first duly sworn, declared that the statements therein are true, and acknowledged to me that they executed the same acting individually and as Trustee.

WITNESS my hand and official seal.

[Signature]
Notary Public for Idaho



EXPIRES 1/2/09

LEO AND RUBY RUDE LIVING TRUST
TRUST AGREEMENT

This TRUST AGREEMENT is made by and between the SETTLORS, LEO ELDON RUDE and RUBY MARTHA RUDE, and the TRUSTEE, LEO ELDON RUDE and RUBY MARTHA RUDE.

ARTICLE I
PRIMARY PROVISIONS

1.1 DECLARATION OF TRUST

LEO ELDON RUDE and RUBY MARTHA RUDE hereby declare, agree and acknowledge that they are acting as SETTLORS to establish and settle the LEO AND RUBY RUDE LIVING TRUST under the terms and provisions of this TRUST AGREEMENT.

1.2 FULL NAMES OF SETTLORS

The legal names of the SETTLORS are LEO ELDON RUDE, also known as "ELDON RUDE", and RUBY MARTHA RUDE, also known as "RUBY RUDE".

1.3 FORM OF TITLE

The title of each item of property transferred to the LEO AND RUBY RUDE LIVING TRUST shall be held as "Trustee, LEO AND RUBY RUDE LIVING TRUST." Provided, that title of any item of property may also be held by the LEO AND RUBY RUDE LIVING TRUST in any other form which designates ownership by the TRUSTEE or the TRUST.

Provided, the TRUSTEE shall have the power to hold accounts, securities, or other property in the name of the TRUST, in the name of the TRUSTEE as TRUSTEE, in the TRUSTEE's own name, or in the name of a nominee, or the TRUSTEE may hold securities unregistered in such condition that ownership will pass by delivery.

1.4 ADDRESS OF THE TRUST

The address of the TRUST is 7128 Rude Street, Dalton Gardens, Idaho 83815.

1.5 NAMING THE TRUSTEE

During their joint lifetimes the TRUSTEE will be: LEO ELDON RUDE and RUBY MARTHA RUDE. Upon the death or incapacity of either TRUSTEE, the survivor of them shall continue to serve as TRUSTEE. Except as otherwise provided in this Trust Agreement, in the event

any TRUSTEE or any successor as herein defined should fail to qualify as TRUSTEE hereunder, should resign, or for any reason should cease to act in such capacity, creating for any reason a vacancy in the office of TRUSTEE, the following shall act as successor or substitute TRUSTEE:

LISA RUDE

or as the SETTLORS may otherwise direct jointly during their lifetimes, such designation in a written notice to the TRUSTEE.

In the event LISA RUDE should fail to qualify as TRUSTEE hereunder, should resign, or for any reason should cease to act in such capacity, creating for any reason a vacancy in the office of TRUSTEE, the following person shall act as successor or substitute TRUSTEE:

VALERIE HILLIARD

or as the SETTLORS may otherwise direct jointly during their lifetimes, such designation in a written notice to the TRUSTEE.

In the event LISA RUDE should fail to qualify as TRUSTEE hereunder, should resign, or for any reason should cease to act in such capacity, creating for any reason a vacancy in the office of TRUSTEE, the following person shall act as successor or substitute TRUSTEE:

WANDA MINGUS

or as the SETTLORS may otherwise direct jointly during their lifetimes, such designation in a written notice to the TRUSTEE.

Each TRUSTEE shall have the power to act independently or together with the other TRUSTEE.

Each TRUSTEE shall have all powers to act granted under the TRUST AGREEMENT and Idaho law. A TRUSTEE has the power to perform, without court authorization, every act which a prudent man would perform, including, but not limited to, the following:

1. to acquire assets, including real estate in the name of the TRUST, and to sell, convey or dispose of an asset, for cash or on credit; and to encumber, mortgage, or pledge a TRUST asset;
2. to borrow money to be repaid from TRUST assets; and
3. to invest with TRUST assets, without restriction, in stocks, bonds, futures, options, and mutual funds; and to maintain margin accounts.

The SETTLORS, or the survivor, shall have the power to appoint a co-trustee or successor trustee by an instrument signed, dated and delivered to the TRUSTEE, and by the same method may revoke such appointments and make new ones.

1.6 CHILDREN

At the date of the Trust Agreement, LEO ELDON RUDE has the following living children whose names and dates of birth are as follows:

WANDA MINGUS

Born April 2, 1957;

ARTICLE II
ADMINISTRATION DURING SETTLORS' LIVES

2.1 SETTLORS' RIGHTS TO AMEND, CHANGE OR REVOKE THE TRUST

(A) Both SETTLORS may, during their joint lives, by signed instrument(s) delivered to the TRUSTEE:

(1) Change the beneficiaries and remaindermen, their respective shares and the plan of distribution;

(2) Amend this Trust Agreement in any other respect;

(3) Revoke this Trust in its entirety or any provision therein; provided, however, the duties and responsibilities of the TRUSTEE shall not be enlarged without the TRUSTEE's consent nor without satisfactory adjustment of the TRUSTEE's compensation.

(B) The surviving SETTLOR, after the death of the first SETTLOR to die, may by signed instrument delivered to the Trustee, withdraw trust property, add trust property, change beneficiaries and remaindermen, and amend and/or revoke this trust and all sub-trusts, except those sub-trusts which are designated as irrevocable, in the manner provided for above.

(C) At the death of the first SETTLOR to die, the Disclaimer Trust, Family By-Pass Trust, QTIP Trust, and Children's Trust (if any are established) may be neither revoked nor amended. At the death of the surviving SETTLOR, this Trust and all sub-trusts may be neither revoked nor amended.

2.2 DISPOSITION OF INCOME AND PRINCIPAL DURING LIVES OF SETTLORS

(A) The TRUSTEE shall hold, administer and distribute the Trust Estate during the joint lives of the SETTLORS as follows:

(1) The TRUSTEE shall hold, manage, invest and reinvest the Community Estate (if any requires such management and investment) and shall collect the income, if any, therefrom and shall dispose of the net income and principal during the joint lives of the SETTLORS as follows:

(a) The TRUSTEE shall pay to or apply for the benefit of the SETTLORS as Community Property all the net income of the Community Estate.

(b) The TRUSTEE may pay to or apply for the benefit of the SETTLORS as Community Property such sums from the principal of the Community Estate as in its sole discretion shall be necessary or advisable from time to time for the health, education, support and maintenance of the SETTLORS, taking into consideration to the extent the TRUSTEE deems advisable any other income or resources of the SETTLORS known to the TRUSTEE.

(c) Either SETTLOR may at any time during the joint lives of the SETTLORS and from time to time withdraw all or any part of the principal of the Community

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ARTICLE VI
EXECUTION

6.1 PLACE OF ADMINISTRATION AND REGISTRATION OF TRUST

The place of administration of this TRUST shall be Kootenai County, Idaho. Pursuant to Idaho Code Sections 15-7-101 -- 15-7-105, the TRUSTEE shall register the TRUST in Kootenai County, Idaho and all legal proceedings involving the LEO AND RUBY RUDE LIVING TRUST shall be in District Court in and for said County.

DATED this 29 day of Sept., in the year 2003.

Leo E. Rude
LEO E. RUDE, SETTLOR

Ruby M. Rude
RUBY M. RUDE, SETTLOR

Leo E. Rude
LEO E. RUDE, TRUSTEE

Ruby M. Rude
RUBY M. RUDE, TRUSTEE

STATE OF IDAHO

COUNTY OF KOOTENAI

On this 29 day of September, in the year 2003, before me, a Notary Public in and for the State of Idaho, personally appeared LEO ELTON RUDE and RUBY MARTHA RUDE, husband and wife, known to me to be the persons who subscribed their names to the within instrument, and acknowledged to me that they executed the same in their dual capacities as SETTLOR and TRUSTEE.

WITNESS my hand and official seal.

[Signature]
Notary Public for Idaho



EXPIRES 11/2/09



State of Idaho

DEPARTMENT OF WATER RESOURCES

Northern Region • 7600 N MINERAL DR STE 100 • COEUR D ALENE, ID 83815-7763
Phone: (208)762-2800 • Fax: (208)769-2819 • Website: www.idwr.idaho.gov

Brad Little
Governor

Gary Spackman
Director

July 01, 2021

LEO & RUBY RUDE LIVING TRUST
3547 DALVERN WAY
COEUR D ALENE ID 83815-6089

Re: Change in Ownership for Water Right No(s): 96-2245

Dear Water Right Holder(s):

The Department of Water Resources (Department) acknowledges the receipt of correspondence changing ownership of the above referenced water right(s) to you. The Department has modified its records and has enclosed a computer-generated report for you.

Updating the ownership record for a water right does not reconfirm the validity of the right. When processing a Notice of Change in Water Right Ownership, the Department does not review the history of water use to determine if the right has been forfeited or deliberately abandoned through five years or more of non-use. To read more about water right forfeiture, including how to protect a water right from forfeiture, please see Idaho Code §§ 42-222 and 42-223.

Please note, water right owners are required to report any change of water right ownership and any change of mailing address to the Department within 120 days of the change. Reporting forms are available from any office of the Department, or from the Department's website.

If you have any questions concerning the enclosed information, please contact me at (208) 762-2813.

Sincerely,

Natalie Steading

Natalie Steading
Tech Records Specialist 1

Enclosure(s)