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TRUST AGREEMENT

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THIS AGREEMENT, entered into this 12 day of MARCH, 1974, between FLORENCE IRENE NELSON, Trustor, and VIRGIL F. NELSON, Trustee.

WITNESSETH:

The Trustor is the owner of certain personal property and choses in action, particularly bank accounts, and from time to time may hold other properties, both real and personal, which may be made subject to this Trust.

ARTICLE I

The Trustor or any other person may give, bequeath or devise to the Trustee additional property, real or personal, which upon acceptance thereof by the Trustee shall be a part of the trust estate, subject to all the terms of this agreement.

ARTICLE II

The Trustee shall pay or apply the net income of the trust estate as the Trustor shall from time to time direct.

Should the Trustee at any time consider the Trustor, by reason of illness or accident, or any other reason, to be unable to direct it with respect to the disposition of such income, the Trustee shall expend for the Trustor such sums from the income and principal as he shall deem necessary or advisable for her care, support, maintenance and reasonable comforts.

ARTICLE III

The Trustor may, in writing, direct the Trustee to purchase property of any kind for the trust or to retain, sell, exchange, pledge, mortgage and otherwise deal with or dispose of any part of the trust estate, and the Trustee shall comply with any such direction without liability for the result thereof.

This agreement may be amended by an instrument in writing

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signed by the Trustor and the Trustee.

The Trustor may revoke this trust in whole or in part by an instrument in writing delivered to the Trustee.

The power of direction, revocation and amendment must be exercised by the Trustor personally and may not be exercised by any agent, guardian or personal representative.

ARTICLE IV

Upon the death of the Trustor, the Trustee shall apply and distribute the trust estate, including all accrued and undistributable income, as follows:

(a) The Trustee shall pay the costs and expenses of the Trustor's last illness, funeral and burial, or shall contribute thereto as it may deem necessary, unless, in its opinion, there shall be other adequate means for the payment thereof.

(b) Unless Trustor's Will provides otherwise, the trust estate shall bear its proportionate share of all estate and inheritance taxes made payable by the Trustor's death. Further, the Trustee may pay such additional taxes and such of the Trustor's debts and obligations as her Personal Representative shall have sufficient funds to pay, or, if there is not administration of the Trustor's will, as the Trustee shall in his sole judgment determine to be due and owing. No creditor of the Trustor shall be deemed a beneficiary of this trust, unless a duly probated Will of the Trustor indicates a contrary intent, taxes paid pursuant to this paragraph shall be charged against the trust estate as a whole and shall not be apportioned among the beneficiaries hereunder.

The trust estate remaining after any disbursement pursuant to the preceding subdivisions (a) and (b) shall be held, applied and distributed to Trustor's children, Ardean W. Nelson,

Virgil F. Nelson and Eileen C. Anderson, share and share alike.

ARTICLE V

The Trustee shall have power:

To manage, sell, convey, exchange, encumber, divide, subdivide, improve and maintain the Trust estate or any part thereof; to grant options and to create restrictions, easements and other servitudes; to carry insurance in such amount and against such hazards as the Trustee may deem advisable; and to lease, license and create such other rights, privileges and interest as the Trustee may deem advisable for terms within or extending beyond the duration of the trust.

Anything to the contrary in this article appearing notwithstanding, during the lifetime of the Trustor, the Trustee shall not sell, exchange, or otherwise dispose of any asset of the trust estate or purchase any investment for the trust estate except upon the approval of the Trustor; provided however, that if the Trustee shall consider the Trustor, by reason of illness or accident, or for any other reason, to be not reasonably available for consultation, or to be unable to give such approval, such approval shall not be required.

ARTICLE VI

The Trustee may require indemnity to his satisfaction before taking any step which may subject it to loss.

ARTICLE VII

My Trustee may resign his trusteeship hereunder at any time, in which event my Trustee or any person interested in the trust may take such steps as may be necessary to secure the appointment of a new trustee by a court of competent jurisdiction.

ARTICLE VIII

Any successor trustee appointed as hereinabove specified

or any successory Trustee named herein, whether by consolidation, merger, transfer of trust business, or otherwise, shall succeed as Trustee, with all of the powers and discretions conferred upon and privileges granted to the Trustee hereunder.

ARTICLE IX

The Trustee shall be entitled to compensation for his services under this agreement in accordance with a schedule for like services in effect and applicable at the time such compensation shall become payable.

IN WITNESS WHEREOF, the Trustor and the Trustee hereunto have set their hands the day and year first hereinabove written.

Florence Irene Nelson
Trustor

Virgil F. Nelson
Trustee

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of _____
this 15 day of Oct. A.D. 19 81 at 4:46 o'clock P. M., and
duly recorded in Vol. M-81 of MISC. on Page 18157

By Evelyn Biehn County Clerk

Fee \$16.00