

6250

Vol. <sup>m</sup> 81 Page 19450

## CERTIFICATION OF L.T. AND ADDIE MESHKE 1981 TRUST

The undersigned hereby certify:

1. That L.T. MESHKE, ADDIE F. MESHKE, WALTER L. MESHKE, and DOROTHY H. FAGER, or the survivor of them, are Trustees of that certain Trust created by Trust Agreement dated the same date as this Certificate wherein L.T. MESHKE, and ADDIE F. MESHKE are Trustors and L.T. MESHKE, ADDIE F. MESHKE, WALTER L. MESHKE and DOROTHY H. FAGER are Initial Trustees.
2. That, for the purposes of convenience, the Trust created by the aforesaid Trust Agreement is named "L.T. AND ADDIE MESHKE 1981 TRUST".
3. That the aforesaid Trust Agreement contains, inter alia, the following provisions:

a. The powers of L.T. MESHKE and ADDIE F. MESHKE over assets subject to the Trust Agreement are set forth in Exhibit "A".

b. The powers of WALTER L. MESHKE and DOROTHY H. FAGER over assets subject to the Trust Agreement are set forth in Exhibit "B".

c. The successors to L.T. MESHKE, ADDIE F. MESHKE, WALTER L. MESHKE, and DOROTHY H. FAGER as Trustees are set forth in Exhibit "C".

DATED: 9/25/81, 1981.

L. T. Meshke  
L. T. MESHKE

Walter L. Meshke  
WALTER L. MESHKE

STATE OF OREGON )

County of Klamath )

ss:

Addie F. Meshke  
ADDIE F. MESHKE  
Dorothy H. Fager  
DOROTHY H. FAGER

September 25, 1981

Personally before me appeared L.T. MESHKE, ADDIE F. MESHKE, and WALTER L. MESHKE ~~known to me to be~~ the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

KIRSTINE L. PROCK  
NOTARY PUBLIC - OREGON

My Commission Expires

STATE OF WASHINGTON )

County of Thurston )

ss:

Kirstine L. Prock  
NOTARY PUBLIC FOR OREGON

My Commission Expires: 12/16/84

September 25<sup>th</sup>, 1981

Personally before me appeared DOROTHY H. FAGER known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that she executed the same.

(SEAL)

Beverly J. Clark  
NOTARY PUBLIC FOR WASHINGTON  
My Commission Expires: 8/17/82

ck  
2021

19451

Possession, Custody and Management of Custodial Assets: Except as may be expressly provided otherwise, L.T. and Addie shall have the exclusive possession, custody, and all power of management, without payment of rental therefor and without any accounting to Trustee thereof, of Custodial Assets transferred to Trustee by L.T. and Addie, respectively. Without limiting the generality of the foregoing, the power of management shall include, but not be limited to, all powers set forth in Exhibit "B" of this Certification of Trust and as the same shall be expanded by the following provisions:

a. Sell, Etc.: The power of management shall include the power to sell, convey, lease, encumber, or hypothecate any Custodial Asset. The foregoing power to lease, encumber, or hypothecate shall include the power to do so for periods longer than the term of any trust created by the Trust Agreement.

b. Securities: The power of management shall also include the power to open and maintain, in the name of Trustee, the name of the Trust, or in the name of any nominee of Trustee, including, without limiting the generality of the foregoing, the name of the respective Trustor of the asset invested in any account, street or otherwise, with any brokerage firm or company, and to conduct any and all stock trading activity, including, but not limited to, marginal trading, short selling, buying and selling options, whether or not such stocks are owned by Trustee, Trust, or nominee of Trustee.

c. Trustee's Nominee: L.T. or Addie may act as nominee of Trustee for any of the Custodial Assets transferred and conveyed by such Trustor to Trustee pursuant to the Trust Agreement. Without limitation of the foregoing, a Trustor shall be deemed to hold a Custodial Asset as nominee of Trustee where L.T. or Addie executes and delivers to Trustee any instrument transferring any Custodial Asset to Trustee even though the Custodial Asset remains registered in the name of the Trustor transferring such Custodial Asset, the registration in the name of Trustee of such a Custodial Asset is not completed, or the transferring Trustor retains possession of the certificate, or other document and/or instrument, evidencing the title thereto. If L.T. or Addie acts as a nominee for any Custodial Asset transferred to Trustee, such Trustor of a Custodial Asset may receive directly any dividends, interest, income or distributions from or upon such Custodial Asset and neither L.T. or Addie, nor Trustee of such Custodial Asset shall have any duty of accounting to the other, or to any other person, with regard thereto. If L.T. or Addie, in possession of a Custodial Asset (as nominee of Trustee) should transfer title to a Custodial Asset to one other than Trustee, such a transfer shall constitute a withdrawal of such a Custodial Asset from the Trust Estate and Trustee shall have no further interest therein, nor duties with regard thereto. If L.T. or Addie should transfer a Custodial Asset to a third party, L.T. or Addie shall notify Trustee of any withdrawal of any Custodial Asset from the Trust Estate, but such notice shall not be a condition precedent to the effective withdrawal of a Custodial Asset from the Trust Estate or to the conveyance of good and sufficient title to the transferee thereof.

d. Co-Tenancies: If any Co-Tenancy account, or Co-Tenancy title to real property or personal property of any kind, should be established between L.T. or Addie and Trustee, the instrument, document, or conveyance establishing or creating such Co-Tenancy shall be the equivalent of an instrument, document, or conveyance designating such Co-Tenancy account or property as part of the Custodial Assets of that Trustor, and, as between L.T. or Addie and Trustee, any such Co-Tenancy account or property shall be subject to the covenants, terms, and provisions of the Trust Agreement. To the extent changes are made in any such Co-Tenancy account (either by addition, or deletion), the same shall constitute an addition to, or removal of, the Custodial Assets. Where such a Co-Tenancy account is a joint account in the nature of an Investment Account, L.T. or Addie may write checks thereon or make withdrawals therefrom without the cosignature of Trustee, and such writing of checks or the making of withdrawals by L.T. or Addie shall constitute withdrawals from the Trust Estate and Trustee shall have no further interest in any amount, or amounts, so withdrawn, or any further duty with regard thereto. The capacity of L.T. or Addie of any Custodial Asset held between L.T. or Addie and Trustee as Co-Tenants shall be that of nominee of Trustee and not that of co-owner.

e. Instructions by L.T. or Addie to Trustee and Indemnification of Trustee: L.T. or Addie, in exercising the power to manage, possess or control any asset of the Trust Estate as herein provided, may direct Trustee, from time to time, in writing, to participate and join in any action elected by L.T. or Addie and Trustee shall comply with such direction. The direction by L.T. or Addie may include (without limiting the generality of the rights herein provided) direction to sell, convey, transfer, or lease any L.T.'s or Addie's Asset. If Trustee is directed to take any action concerning a L.T.'s or Addie's Asset pursuant to the rights herein provided, and the proceeds or products of such an action are received by Trustee, Trustee shall account for the same and apply the same as directed by L.T. or Addie. Unless L.T. or Addie expressly directs Trustee to pay the proceeds from the sale, leasing, or disposition of a L.T.'s or Addie's Asset to L.T. or Addie, the same shall continue to be subject to the terms of the Trust Agreement. In any event, Trustee shall promptly and fully account to L.T. or Addie in writing for any proceeds or products received by Trustee as a consequence of any action directed by L.T. or Addie. In order to assure Trustee's compliance with L.T.'s or Addie's directions concerning L.T.'s or Addie's Assets pursuant to the provisions herein provided, L.T. or Addie hereby covenants and agrees to and with Trustee to indemnify and hold harmless Trustee from any and all claims, demands, causes of action, actions or suits, and costs (including, without limiting the generality of the foregoing, reasonable attorney fees with or without suit or action, and, if suit or action, at trial or on appeal). As security for the foregoing covenant to indemnify and hold harmless Trustee, Trustee is hereby given (in addition to all powers conferred by law) a lien upon those assets of the Trustor so directing Trustee (both principal and income) for the payment thereof, including, but not limited to, the right to take possession of such Trustor's Custodial Assets for the purpose of reimbursing Trustee of any sums due Trustee by way of this covenant to indemnify Trustee or hold Trustee harmless. Notwithstanding any implication to the contrary, this subarticle shall not be construed as giving L.T. the power to direct Trustee concerning Addie's Assets, nor Addie the power to direct Trustee concerning L.T.'s Assets.

Powers of Trustee Over Management Assets: Trustee shall have, in addition to all powers conferred by law, the right and power over any assets subject to the Trust Agreement which become a Trustor's Management Assets, or other than L.T.'s Assets or Addie's Assets, to do all acts which are, in Trustee's judgment, needful or desirable for the proper and advantageous management of such assets (subject to the limitations set forth herein). Included in the foregoing sentence, without limiting the generality of the foregoing, are the following specific powers:

- a. Securities: To invest any property forming part of the Trust Estate in such securities, including securities issued by or insured by the United States of America, State thereof, or political subdivision of such State, or any country other than the United States of America, common or preferred stocks, notes, debentures, or fractional shares of any corporation, and shall have like authority to exercise, or sell, stock subscription or commission rights, and to purchase fractional shares needed to round out fractional shareholdings that might arise concerning any stock held pursuant to the authority granted hereby. To open an account, or accounts, with any brokerage firm or company, including, but not limited to, a street account. In addition, Trustee shall have the right to acquire its own stock and to either vote any stock subject to the Trust (including its own stock), or give its proxy to vote such stock comprising an asset of the Trust to a distributee. Trustee may also sell any of the investments referred to in this subparagraph. Trustee shall have the authority to register or qualify for exemption from registration shares of stock in any corporation with any agency or agencies of any government (including, but not limited to, the Securities and Exchange Commission of the Government of the United States); to participate in any such registration or qualification for exemption from registration; to apply for and to secure the approval of any agency of any government with respect to the sale of such shares; to sell such shares to the public (or to underwriters for public sale) or to private investors or to participate in the public or private sale of such shares; to enter into an agreement with respect to any such sale with any broker, investment banker or underwriter; to make such representations, warranties and indemnities as are customarily given by a selling stockholder to any broker, investment banker or underwriter in connection with a firmly underwritten offering; to incur and to pay all expenses necessary or appropriate in connection with any such registration, qualification or sale; and to take all other action necessary or appropriate in order to consummate any such sale.
- b. Agricultural Property: To the extent that any portion of the Trust Estate should consist of any interest in agricultural property, Trustee may: operate the agricultural property with hired labor, tenants, or sharecroppers; hire such manager, or professional management service, to supervise the operation of the agricultural property; lease or rent the agricultural property for cash or on shares, sell, purchase, exchange, or otherwise acquire or dispose of farm machinery, livestock, farm products, timber, supplies, and services used in connection with the agricultural property; remove, construct, repair, and improve fences, structures, and buildings of all kinds on the agricultural property; fertilize, terrace, clear, ditch, and drain lands, install irrigation systems, and in general follow soil conservation and other practices designed to conserve, improve, and maintain the fertility and productivity of the agricultural property; carry on reforestation; carry on both a crop and livestock program, including the raising, purchasing and selling of livestock and any farm products whatever; borrow money, and pledge harvested or growing crops, timber or livestock as security for the same; execute contracts, notes, chattel mortgages and other agreements relating to agriculture with the Commodity Credit Corporation, the Secretary of Agriculture of the United States, or any other officer or agency of the federal or state governments, or of any corporation organized under them or any Production Credit Association, or any Federal Land Bank; enter into acreage reduction agreements; make soil conservation commitments; and in general, do all acts necessary to cooperate with any governmental agricultural program and participate in and receive all payments and other benefits and proceeds under any such programs. The expense of any and all of the foregoing powers shall be at the sole risk of the Trust Estate and any losses shall be borne by the Trust Estate in absence of gross mismanagement, gross neglect, or fraud.
- c. Retain Property and Operate Business: To continue to hold any property received in trust and to operate at the risk of the Trust Estate and not at the risk of Trustee, any property or business received in trust, as long as Trustee may deem advisable, the profits and losses therefrom to inure to or be chargeable to the Trust Estate as a whole and not to the Trustee. Trustee need not sell any of such assets merely for the sake of diversification nor for the sake of obtaining cash funds to invest in other assets which might produce more income.
- d. Borrow Money and Loan Trustee's Funds: To borrow money and to loan or advance Trustee's own funds to any Trust created by the Trust Agreement for any trust purpose at prevailing rates of interest and to mortgage and hypothecate the property and securities of the Trust Estate in whole or in part as security for the repayment of such loans or advances.
- e. Make Repairs: To make such expenditures for the repairing, improving and rebuilding of any property of the Trust Estate as Trustee may deem necessary.
- f. Use a Nominee of Title: To hold securities and other property in the name of Trustee, or in the name of Trustee's nominee, but Trustee shall be responsible for the acts of such nominee affecting such property only if such nominee is other than Trustor.
- g. Pay Expenses: To pay all taxes, charges, commissions and other expenses of the Trust Estate, including reasonable compensation for Trustee's own services, which shall be based upon its schedule of fees at the time such fees become payable, if Trustee maintains a schedule, otherwise nothing. Trustee shall also be entitled to reimbursement for all outlays, advances, costs and expenses incurred by Trustee in the preservation, maintenance, and protection of the Trust Estate without reduction of Trustee's fees.
- h. Hold Trust Estate as Undivided Whole: Except as may be otherwise specifically provided herein, to hold the Trust Estate as an undivided whole without separation into any separate trusts created by the Trust Agreement for such period as Trustee shall deem expedient, but no such undivided holding shall defer or postpone vesting or distribution under the trusts and powers therein declared.
- i. Protection and Realization of Assets: To take any action with respect to conserving or realizing upon the value of any assets and with respect to foreclosures, reorganizations or other changes affecting any asset; to collect, pay, contest, compromise or abandon demands of or against the Trust Estate, wherever situated; and to execute contracts, notes, conveyances and other instruments, including instruments containing covenants and warranties binding upon and creating a charge against the Trust Estate, and containing provisions excluding personal liability.

j. Employ Professionals: To employ any custodian, attorney, accountant, corporate fiduciary, or any other agent or agents to assist Trustee in the administration of the Trust Estate and to rely on the advice given by these agents. If Trustee should have any financial interest in business of such professionals, the same shall not constitute a conflict of interest. Reasonable compensation for all services performed by these agents shall be paid from the Trust Estate out of either income or principal as Trustee, in Trustee's discretion, shall determine, and shall not decrease the compensation to which Trustee may be entitled. Trustee shall not be responsible for any neglect, omission, or wrong doing of any agent or employee unless Trustee fails to use reasonable care in the selection of these persons.

k. Pay to Beneficiary: To pay income or principal to which a beneficiary is entitled directly to a beneficiary, to any person having custody of a beneficiary, to the legal guardian or conservator of a beneficiary, or to any person who, or corporation which, shall be furnishing maintenance, support or education to a beneficiary, or as otherwise specifically provided in the Trust Agreement. The receipt of any person to whom payment is made as herein authorized shall be sufficient voucher for Trustee, and in the discretion of Trustee, the recipient need not be required to account to Trustee or to any court or other person as to disposition thereof.

l. Determination and Distribution of Trust Principal and Income: To determine, in all cases, what receipts are income and what are principal and what disbursements are chargeable to income and what are chargeable to principal; subject, however, to the definition of income contained in the Trust Agreement. To make any distribution or division of principal or income of the Trust Estate in cash, or in kind, or both, and to allot different kinds or disproportionate shares of property or undivided interest in property among those entitled to distribution. To the extent that securities or other property is determined by Trustee to be distributable under the terms provided herein, Trustee shall distribute the same at its market value as nearly to the date of distribution as can reasonably be determined by Trustee. The judgment of Trustee as to what shall constitute a just and proper division or apportionment of assets of the Trust Estate among any distributees shall be binding and conclusive on all interested parties. Income accrued or unpaid on trust property when received into any trust shall be treated as any other income. Income accrued or held undistributed at the termination of any interest or estate under any trust shall go to the beneficiaries entitled to the next succeeding interests, in the proportion in which they take such interests. Periodic payments out of principal not due upon the termination of any interest or estate shall not be apportioned to that date. Proration of taxes and other current expenses to the date of termination shall not be required. Trustee may exercise any powers and discretions set forth in this subarticle for a reasonable period after termination of the Trust Estate.

EXHIBIT "B"

## EXHIBIT "C"

19454

A. Initial Trustee: The Initial Trustee shall be L.T., Addie, Walter, and Dorothy. Upon the death or incapacity of any of them, the ones, or one, of them able and willing to act shall act as Trustee. In the event of the death or incapacity of all of them, the Successor Trustee shall be as set forth herein.

B. Designation of Successor Trustee: Successor Trustee to any Trustee shall be governed by the following:

1. Power of Walter to Designate a Successor: Subject to the foregoing provisions relating to the succession of L.T., Addie, Walter, and Dorothy as Trustee, Walter is hereby given the power to designate in writing a successor to himself to act in his place and stead as Trustee; provided, however, that this power is not intended to create a general power of appointment and, if the same should be so construed, this power shall be absolutely null and void.

2. Power of Dorothy to Designate a Successor: Subject to the foregoing provisions relating to the succession of L.T., Addie, Walter, and Dorothy as Trustee, Dorothy is hereby given the power to designate in writing a successor to herself to act in her place and stead as Trustee; provided, however, that this power is not intended to create a general power of appointment and, if the same should be so construed, this power shall be absolutely null and void.

3. No Trustee Designated Willing or Able to Act: If all individuals named herein as Trustee, or any successor, or successors, to them designated as provided herein should be unable or unwilling to act as Trustee, then a Successor Trustee shall be selected as follows:

a. Designation of Successor Trustee by Other Beneficiaries of Trust: If all individuals named herein as a Trustee should be unable to act as a Trustee and all successors designated herein shall be unable and unwilling to act as Successor Trustee, then, in such event, Trustor's residual beneficiaries who are over the age of eighteen (18) years and competent shall have the power to select a Successor Trustee by majority agreement, and, if there is a deadlock, then the eldest of them shall resolve the deadlock and the resolution by such eldest shall be conclusively binding on those interested in the Trust Estate. If there is only one such residual beneficiary living and competent, such residual beneficiary may select a Successor Trustee.

b. By Anyone Interested in the Trust Estate: If no one authorized herein selects a Successor Trustee within ninety (90) days from the date there should be no Trustee acting under the provisions of the Trust Agreement, anyone interested in any portion of the Trust Estate may, either in person, or through his or her guardian or conservator, secure the appointment of a Successor Trustee by a court of competent jurisdiction at the expense of the Trust Estate.

4. Responsibility of Successor Trustee for Acts of Predecessor: No Successor Trustee shall be liable for any act, omission, or default of a predecessor Trustee, shall have no duty to investigate or review any action of a predecessor Trustee and may accept the accounting records of the predecessor Trustee showing assets on hand without further investigation and without incurring any liability to any person claiming or having an interest in the Trust Estate.

C. Right of Resignation: Any Trustee shall have the right to resign at any time; provided, however, that the effective date of such resignation shall be at the end of the month following the date of such resignation. Any resignation of a Trustee shall be in writing acknowledged in the form required for the recordation of instruments in the State of California.

D. Definitions: The definitions set opposite the following terms shall control:

1. L.T.: The term "L.T." shall mean LEONARD THOMAS MESHKE aka LEONARD T. MESHKE.
2. Addie: The term "Addie" shall mean ADDIE FRANKLAND MESHKE aka ADDIE F. MESHKE.
3. Walter: The term "Walter" shall mean WALTER L. MESHKE.
4. Dorothy: The term "Dorothy" shall mean DOROTHY H. FAGER.

STATE OF OREGON, COUNTY OF KLAMATH, ss.

Filed for record at request of Giacomini, Jones & Assoc  
 this 6th day of November A.D. 1981 at 4:41 o'clock P M., and  
 duly recorded in Vol. M81, of Deeds on Page 19450

EVELYN BIEHN, County Clerk  
 By Evelyn Biehn

Fee \$20.00

WHEN RECORDED RETURN TO:

GIACOMINI, JONES & ASSOCIATES  
 ATTORNEYS AT LAW  
 A PROFESSIONAL CORPORATION  
 635 MAIN STREET  
 KLAMATH FALLS, OREGON 97601

EXHIBIT "C"