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HEARING DATE: August 25, 1983  
DEPT. 4, 9:00 A.M. - PROBATE

2-40808  
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EXECUTOR

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**SEP 03 1983**
*Bank of America*  
 DEPOSIT

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA  
 IN AND FOR THE COUNTY OF FRESNO

In the Matter of the Estate of

ALFRED JOSEPH COELHO,

Deceased

) CASE NO. 251025-3  
 ) ORDER SETTLING FIRST AND FINAL  
 ) ACCOUNT AND REPORT OF EXECUTOR,  
 ) APPROVING AGREEMENT ON DISPOSITION  
 ) OF RESIDUE AND PAYMENT OF TAXES,  
 ) ALLOWING STATUTORY FEES DUE  
 ) ATTORNEYS AND FINAL DISTRIBUTION OF  
 ) ESTATE AND DISTRIBUTION TO  
 ) TESTAMENTARY TRUST

The First and Final Account and Report of RICHARD V. GUNNER, as  
 Executor of the Will of ALFRED JOSEPH COELHO, Deceased, and Petition for  
 its Settlement, for Approval of Agreement on Disposition of Residue and for  
 Payment of Taxes, for Allowance of Statutory Fees due Attorneys, for Final  
 Distribution of Estate and Distribution to Testamentary Trust, came on  
 regularly for hearing on August 25, 1983, and the Court, having examined  
 the Account, Report and Petition, and being fully advised in the premises,  
 finds as follows:

1. RICHARD V. GUNNER has been and still is the duly appointed  
 and authorized Executor under the Will dated August 19, 1977 of ALFRED  
 JOSEPH COELHO, Deceased, who died on December 25, 1979, a resident of and  
 leaving property subject to administration in Fresno County, California.

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1 RICHARD V. GUNNER, as Executor of the Will, has been and still is  
2 authorized to administer the Estate without Court supervision under the  
3 Independent Administration of Estates Act.

4 2. Notice of Hearing of the Account, Report and Petition has  
5 been regularly given as prescribed by law.

6 3. Notice of Death and Petition to Administer, along with Notice  
7 to Creditors has been duly given, published in the Fresno Daily Legal  
8 Report, and filed together with Affidavits showing due publication, and the  
9 time for filing or presenting claims in the Estate has expired. The Estate  
10 is now in a condition to be closed.

11 4. All Claims filed or presented against the Estate have been  
12 allowed by the Executor and have been paid, including the Claim of KATHERINE  
13 LEVINA COELHO, which was adjusted downward by the Executor, with the  
14 consent of the creditor, from \$27,800.00 to \$18,941.32, and approved for  
15 the latter amount by this Court.

16 5. All debts of the Decedent and of the Estate, and all expenses  
17 of administration have been paid, except for closing expenses, cash bequest  
18 and net income, Attorneys' fees, balance of non-deferred tax, repayment of  
19 short-term loan, and tax reserve.

20 6. No personal property taxes nor current income taxes are owed.

21 7. The California Inheritance Tax has been determined and fixed  
22 by Orders of this Court on file in these proceedings, in the total amount  
23 of \$328,066.45. The Executor has procured an Agreement with the State  
24 Controller's Office, under date of September 21, 1982, wherein a portion of  
25 the Inheritance Tax was paid, and the balance is to be deferred over a  
26 period of ten years from the Decedent's death, and bear interest at the  
27 rate set by law from time to time. The Executor has paid the sum of  
28 \$138,282.78 on account of the tax due, and a deferred balance of

1 \$189,783.67 is owed, and interest thereon has been paid to April 29, 1983.  
2 Pursuant to the Agreement Concerning Death Taxes, hereinafter described,  
3 ALFRED J. COELHO, JR. is to assume the liability for payment of all  
4 deferred California inheritance tax plus interest thereon, and in  
5 accordance with the Assignment and Security Agreement dated September 21,  
6 1982, entered into by the Executor and the State Controller's Office, the  
7 Executor will be released from liability for such tax upon close and  
8 distribution of the Decedent's Estate.

9 8. A Federal Estate Tax Return has been filed in this Estate,  
10 and after audit, the Executor received an Estate Tax Closing Letter dated  
11 June 23, 1982, showing the total federal estate tax liability to be  
12 \$778,814.35. The Executor has paid \$258,533.18 on account of the said tax  
13 due, and will pay the additional sum of \$212,481.17 on account to the  
14 Internal Revenue Service, plus interest thereon through the date of  
15 payment, upon close and distribution of the Estate, from funds advanced to  
16 the Estate by ALFRED J. COELHO, JR. and CHARLES ANTONE COELHO, pursuant to  
17 the Agreement Concerning Death Taxes. A deferred balance of tax will  
18 result amounting to \$307,800.00, to be paid in installments over a period  
19 of fifteen years from the Decedent's death. Interest only for the first  
20 five years has been and is to be paid annually, and thereafter equal annual  
21 principal payments, or more, are to be made over the following ten years.  
22 Approximately 59.16% of the deferred balance of federal estate tax will  
23 bear interest at 4% per annum, and the remaining approximate 40.84% of the  
24 deferred tax will bear interest at the rate established from time to time  
25 by the Internal Revenue Service. All interest on deferred federal estate  
26 tax is currently paid to September 25, 1982, and the next installment of

27 ////

28 ////

1 interest only is due on or before September 25, 1983. Certain property of  
2 the Estate, specifically devised to ALFRED J. COELHO, JR., as specified  
3 hereinafter, will have a lien placed on it, with the consent of the  
4 devisee, in favor of the Internal Revenue Service, to secure the payment of  
5 the balance of federal estate tax plus interest due, and covering any  
6 additional taxes that may become due as a result of the special-use  
7 valuation election made with the Federal Estate Tax Return. In accordance  
8 with the Agreement Concerning Death Taxes, ALFRED J. COELHO, JR is to  
9 assume the liability for the payment of the remaining federal estate taxes  
10 plus interest, as and when due, and in exchange for the assumption of  
11 liability, certain assets of the Estate, as specified hereinafter, are to  
12 be distributed to ALFRED J. COELHO, JR., with the consent of the residual  
13 beneficiaries of the Estate. Upon perfection of the lien on the  
14 specifically devised real property, the Executor will be released from  
15 further liability with respect to the federal estate tax.

16 9. No tax pro-rations are required to be made in this Estate.

17 10. Petitioner should be authorized to hold a cash reserve of  
18 \$11,000.00 from funds advanced to the Estate from ALFRED J. COELHO, JR. and  
19 CHARLES ANTONE COELHO, to cover expenses and any income tax liabilities of  
20 the Decedent's Estate.

21 11. All of the property on hand is the separate property of the  
22 Decedent.

23 12. The Agreement Concerning Death Taxes dated June 11, 1982,  
24 executed by and between ALFRED J. COELHO, JR., CHARLES ANTONE COELHO and  
25 RICHARD V. GUNNER, as Executor of the Will of ALFRED J. COELHO, Deceased,  
26 provides a means for distribution of the Estate in satisfaction of the  
27 death tax liabilities therein. The residue of the Estate is not sufficient  
28 to cover the remaining death tax liabilities, and should be distributed to



1 ALFRED J. COELHO, JR., who is assuming all death tax liabilities pursuant  
2 to said Agreement. The residual beneficiaries of the Estate, who have not  
3 executed the Agreement Concerning Death Taxes, have consented to it and  
4 have consented to the disposition of residue directed thereunder, as  
5 evidenced by their Declarations on file in these proceedings. The said  
6 Agreement Concerning Death Taxes is fair and equitable, and is necessary in  
7 order to close the Estate. Execution of the said Agreement by RICHARD V.  
8 GUNNER, as Executor of the Will of ALFRED JOSEPH COELHO, Deceased, should  
9 be ratified and confirmed. The Declaration on file herein of RICHARD V.  
10 GUNNER, as named Trustee under Decedent's Will, consenting to said  
11 Agreement, should be authorized and approved, and the Trust should be bound  
12 by the terms of said Agreement relating to indemnification of ALFRED J.  
13 COELHO, JR., in the event the named Trustee, or any successor, causes an  
14 acceleration of the deferred federal estate tax liability with respect to  
15 the real properties passing to the Trust, as specified hereinbelow.

16 13. All of the allegations of the Report and Petition are true,  
17 the Account of the Executor is true and correct, and final distribution of  
18 the property on hand should be ordered as prayed, in accordance with the  
19 Decedent's Will admitted to probate herein on January 28, 1980, and in  
20 accordance with the Agreement Concerning Death Taxes and Consents thereto  
21 on file herein.

22 And good cause appearing therefor,

23 IT IS ORDERED, ADJUDGED AND DECREED, as follows:

24 (1) The administration of the Estate is brought to a close.

25 (2) The Executor has in his possession belonging to the Estate,  
26 after deducting the credits to which he is entitled, a balance at the  
27 appraised value of \$2,392,870.76, of which \$1,345.50 is in cash, as of May  
28 18, 1983, and the First and Final Account, Report and Petition of the

1 Executor covering the period from the Decedent's death on December 25,  
2 1979, to and including May 18, 1983, is hereby approved, allowed and  
3 settled.

4 (3) All acts and transactions of the Executor relating to  
5 matters in the Account, Report and Petition are hereby confirmed, ratified  
6 and approved.

7 (4) Petitioner is hereby authorized and directed to withhold  
8 from distribution at this time a cash reserve of \$11,000.00, to cover  
9 miscellaneous post-distribution expenses, accountant's fees and any  
10 fiduciary income tax liability determined to be due from the Decedent's  
11 Estate, with the balance thereof, after clearance of estate income tax  
12 returns, to be distributed to ALFRED J. COELHO, JR. and CHARLES ANTONIO  
13 COELHO in accordance with the terms of the Agreement Concerning Death  
14 Taxes.

15 (5) The family allowance of \$1,300.00 per month paid to  
16 KATHERINE LEVINA COELHO as child support for JOSEPH ALLEN COELHO, for each  
17 month covered by the Accounting and each month thereafter until the date of  
18 this Order, is hereby ratified, confirmed and approved.

19 (6) The execution of the Agreement Concerning Death Taxes by  
20 Petitioner is confirmed and approved, and with funds contributed to the  
21 Estate by ALFRED J. COELHO, JR. and by CHARLES ANTONIO COELHO, Petitioner is  
22 hereby authorized and directed to pay the sum of \$212,481.17 to the  
23 Internal Revenue Service as payment on account of federal estate tax due in  
24 Decedent's Estate, plus interest due thereon from September 25, 1982 to  
25 date of payment, estimated to be \$19,000.00, and with the balance of said  
26 contributed funds, pay Attorneys' fees and costs as set forth hereinbelow,  
27 cash bequest and interest due JEANNE STEER as set forth hereinbelow, loan  
28 repayment due Security Pacific National Bank, a cash reserve of \$11,000.00

1 as reflected above, and net income earned during the probate proceedings on  
2 property specifically devised respectively to ALFRED J. COELHO, JR. and to  
3 THE ALFRED JOSEPH COELHO TESTAMENTARY TRUST as set forth hereinafter.

4 (7) The Executor is not required to abate specific gifts to  
5 ALFRED J. COELHO, JR. and CHARLES ANTOINE COELHO to pay death taxes, but  
6 instead the Executor shall use the said contributed funds to the extent  
7 specified and shall distribute the residue of the Decedent's Estate, as  
8 specified hereinafter, to ALFRED J. COELHO, JR., in order to release  
9 himself and the Decedent's Estate from Federal Estate Tax and California  
10 Inheritance Tax liability, as contemplated by the Agreement Concerning  
11 Death Taxes.

12 (8) In pursuance of the Consents given by the residual  
13 beneficiaries of the Estate, the residual property of the Estate, itemized  
14 hereinafter, is hereby distributed in full to ALFRED J. COELHO, JR., who  
15 shall use the same to discharge each and every installment of federal  
16 estate and California inheritance tax due, plus interest, to the fullest  
17 extent of said residue.

18 (9) All parties and beneficiaries who have filed herein their  
19 written Consents are and shall be bound by the terms and perform to the  
20 specifications contained in said Agreement Concerning Death Taxes, and  
21 shall do all acts required of them to carry out the intent of said  
22 Agreement, and the Agreement and all of its provisions shall inure to the  
23 benefit of and be binding upon the successors and assigns of the parties to  
24 the Agreement, including the full and unconditional assumption of death tax  
25 and interest liability in Decedent's Estate by ALFRED J. COELHO, JR. The  
26 Court specifically approves, concurrently with the appointment of RICHARD  
27 V. GUNNER as Testamentary Trustee, as set forth hereinbelow, his Consent to  
28 the Agreement Concerning Death Taxes in his capacity as Trustee.

(10) Petitioner is hereby authorized and directed to pay to MCCORMICK, BARSTOW, SHEPPARD, WAYTE & CARRUTH, Attorneys at Law, the following sums:

(a) \$43,608.70 as and for Statutory Fees due for ordinary legal services rendered during the period of this Account and Report.

(b) \$377.59 as and for reimbursement of costs of administration herein advanced by said Attorneys during the period of the Account and Report.

(11) Distribution of the Estate of Decedent in Petitioner's hands is hereby made in accordance with the terms and provisions of the Decedent's Will dated August 19, 1977 admitted to Probate by Order of this Court on January 28, 1980, and in accordance with the Agreement Concerning Death Taxes dated June 11, 1982 and Consents filed thereto, as follows:

(a) To: JEANNE STEER:

1. \$25,000.00 in cash, plus interest thereon at the rate of 4% per annum from December 25, 1980 to the date of payment.

(b) To: ALFRED J. COELHO, JR.:

1. \$188,528.88 Promissory Note dated 2-4-71 executed by FRANK TOSTE and IVA JEAN TOSTE, in favor of ALFRED J. COELHO, SR.; interest at 6% per annum payable annually beginning 2-8-72, with principal payable in annual installments of \$9,426.65 or more beginning 2-8-72 and continuing until paid in full; having unpaid principal balance of (as of May 18, 1983)..... 75,410.93 with interest paid to February 8, 1983

Secured by Deed of Trust of even date recorded on February 8, 1971 in Book 5860, Page 162, Document No. 9507 in Official Records of Fresno County, California, encumbering real property in said County and State described as:

Lots 25 through 28, Lots 45 through 48, Lots 59 through 62 and Lots 92 through 95, inclusive, of DuBOIS COLONY, according to the map recorded in Book 5 Page 16 of Record of Surveys, records of said County, EXCEPTING THEREFROM all petroleum, oil, gas casinghead gasoline and other hydrocarbon



(b) To: ALFRED J. COELHO, JR. (continued)

1. (continued)

substances and minerals lying in or under or which may be produced from said lands, as reserved in Deeds from Citizens National Trust & Savings Bank of Los Angeles, a National Banking Association, to Knudt B. Lauritzen and Jennie Lauritzen, his wife, as Joint Tenants, dated May 13, 1943 and August 18, 1947, recorded May 26, 1943 and February 11, 1948, in Books 2095 and 2596, pages 172 and 58 of Official Records, Document Nos. 17698 and 7008, respectively.

2. An Undivided 29.81% share in \$188,528.88 Promissory Note dated 2-4-71 executed by FRANK TOSTE and IVA JEAN TOSTE, in favor of ALFRED J. COELHO, JR.; interest at 6% per annum payable annually beginning 2-8-72, with principal payable in annual installments of \$9,426.45 or more beginning 2-8-72 and continuing until paid in full; having unpaid principal balance of (as of May 18, 1983) .....\$ 28,110.62  
With interest paid to February 8, 1981

Secured by Deed of Trust of even date, recorded on February 8, 1971 in Book 5860, Page 163, Document No. 9508 in Official Records of Fresno County, California, encumbering real property in said County and State described as:

Lots 21 through 24, Lots 49 through 52, Lots 55 through 58 and Lots 96 through 99, inclusive, of DuBOIS COLONY, according to the map recorded in Book 5 page 16 of Record of Surveys, records of said County, EXCEPTING THEREFROM all petroleum, oil, gas, casinghead gasoline and other hydrocarbon substances and minerals lying in or under or which may be produced from said lands, as reserved in Deeds from Citizens National Trust & Savings Bank of Los Angeles, a National Banking Association, to Knudt B. Lauritzen and Jennie Lauritzen, his wife, as Joint Tenants, dated May 13, 1943 and August 18, 1947, recorded May 26, 1943 and February 11, 1948, in Books 2095 and 2596, pages 172 and 58 of Official Records, Document Nos. 17698 and 7008, respectively.

3. An Undivided 1/3 interest in \$135,000.00 Promissory Note dated 1-16-79 executed by BILL HANSON GMC TRUCKS, a California Corporation; interest at 9.5% per annum

(b) To: ALFRED J. COELHO, JR. (continued)

3. (continued)

payable annually from 1-11-80, beginning 1-11-81, with principal payable in annual installments of \$27,000.00 or more beginning 1-11-81 and continuing until paid in full; having unpaid principal balance (as to 1/3 share) of ~~as of 5-18-83~~ \$ 18,000.00 With interest paid to January 11, 1983

Secured by Deed of Trust of even date, recorded on January 11, 1980 in Book 7446, Pages 514 and 515, Document No. 3660 in Official Records of Fresno County, California; encumbering real property in said County and State described as:

THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 26, TOWNSHIP 14 SOUTH, RANGE 20 EAST, MOUNT DIABLO BASE AND MERIDIAN IN THE COUNTY OF FRESNO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPTING THEREFROM THE NORTHWEST 2-1/2 ACRES BY DEED RECORDED SEPTEMBER 8, 1927 IN BOOK 826 PAGE 464 OF OFFICIAL RECORDS, DOCUMENT NO. 23312.

ALSO EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PROPERTY:

BEGINNING AT A POINT IN THE NORTH LINE OF SAID SECTION SAID POINT BEARS NORTH 89°47'07" WEST, 316.29 FEET FROM THE NORTHEAST CORNER OF SAID SECTION, SAID NORTHEAST CORNER BEING AT COORDINATES Y-495 640.162 FEET, AND X-1 779 021.235 FEET; THENCE (1) ALONG SAID NORTH LINE NORTH 89°47'07" WEST, 1950.00 FEET; THENCE (2) AT RIGHT ANGLES, SOUTH 0°12'53" WEST, 30.00 FEET; THENCE (3) SOUTH 82°56'32" EAST, 151.08 FEET; THENCE (4) SOUTH 84°31'38" EAST 323.55 FEET; THENCE (5) SOUTH 47°13'13" EAST, 490.92 FEET; THENCE (6) SOUTH 43°43'00" EAST, 1261.12 FEET TO THE SOUTH LINE OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SAID SECTION; THENCE (7) ALONG SAID SOUTH LINE SOUTH 89°46'35" EAST 83.33 FEET; THENCE (8) NORTH 43°43'00" WEST, 1318.94 FEET; THENCE (9) NORTH 38°49'03" WEST, 351.29 FEET; THENCE (10) NORTH 0°12'53" EAST, 20.22 FEET; THENCE (11) ALONG THE SOUTH LINE OF THE NORTH 75 FEET OF SAID SECTION SOUTH 89°47'07" EAST 334.60 FEET; THENCE (12) ALONG A LINE PARALLEL WITH AND 96 FEET SOUTHWESTERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF THE DEPARTMENT OF PUBLIC WORKS SURVEY FROM TULARE COUNTY LINE TO VENTURA AVENUE IN FRESNO, ROAD VI-FRE-4-B, SOUTH 43°43'00" EAST 1717.96 FEET; THENCE (13) SOUTH 0°22'34" EAST, 5.79 FEET TO SAID SOUTH LINE; THENCE (14) ALONG FIRST SAID SOUTH LINE, SOUTH 89°46'35" EAST, 75.60 FEET TO THE EAST LINE OF SAID SECTION, THENCE (15) ALONG SAID EAST LINE, NORTH 0°34'44" EAST, 1063.78 FEET; THENCE (16) AT RIGHT ANGLES, NORTH 89°25'16" WEST 30.00 FEET; THENCE (17) SOUTH 03°31'23" WEST, 350.46

(b) To: ALFRED J. COELHO, JR. (continued)

3. (continued)

FEET; THENCE (18) SOUTH 03°25'36" WEST, 442.77 FEET;  
THENCE (19) ALONG A LINE PARALLEL WITH AND 95 FEET  
NORTHEASTERLY, MEASURED AT RIGHT ANGLES FROM SAID  
CENTERLINE, NORTH 43°43'00" WEST, 1355.28 FEET; THENCE  
(20) NORTH 87°41'55" EAST, 501.13 FEET; THENCE (21) NORTH  
85°04'18" EAST, 200.81 FEET; THENCE (22) NORTH 0°12'53"  
EAST, 30.00 FEET TO THE POINT OF BEGINNING.

AND ALSO EXCEPTING THEREFROM THE FOLLOWING DESCRIBED  
PROPERTY: BEGINNING AT A POINT ON THE SOUTH LINE OF SAID  
NORTH HALF OF NORTHEAST QUARTER DISTANT THEREON 75.60  
FEET WEST OF THE SOUTHEAST QUARTER THEREOF, BEING ALSO  
THE SOUTHERLY TERMINUS OF COURSE (13) OF THE DEED TO THE  
STATE OF CALIFORNIA, RECORDED MARCH 24, 1961 IN BOOK  
4529, PAGE 670 OF OFFICIAL RECORDS: THENCE CONTINUING  
WEST ALONG SAID SOUTH LINE 390.27 FEET MORE OR LESS TO  
THE EASTERLY TERMINUS OF COURSE (7) OF SAID DEED; THENCE  
ALONG COURSES (8) TO (13) OF SAID DEED AS FOLLOWS: NORTH  
43°43'00" WEST 1318.94 FEET; THENCE NORTH 38°49'03" WEST  
351.29 FEET; THENCE NORTH 0°12'53" EAST 20.22 FEET;  
THENCE ALONG THE SOUTH LINE OF THE NORTH 75 FEET OF SAID  
SECTION SOUTH 89°47'07" EAST 334.60 FEET; THENCE ALONG A  
LINE PARALLEL WITH AND 95 FEET SOUTHWESTERLY MEASURED AT  
RIGHT ANGLES, FROM THE CENTER LINE OF THE DEPARTMENT OF  
PUBLIC WORKS SURVEY FROM TULARE COUNTY TO VENTURA AVENUE  
IN FRESNO, ROAD VI-FRE-4-B SOUTH 43°43'00" EAST 1717.96  
FEET; THENCE SOUTH 0°22'34" EAST 5.79 FEET TO THE POINT  
OF BEGINNING.

AND ALSO EXCEPTING THEREFROM THAT PORTION THEREOF LYING  
SOUTH AND WEST OF COURSE NUMBERS 2,3,4,5 and 6 OF THE  
DEED TO THE STATE OF CALIFORNIA, RECORDED MARCH 24, 1961  
BOOK 4529 PAGE 670 OFFICIAL RECORDS.

4. \$193,500.00 Promissory Note dated  
1-8-81 executed by DENKEN FARMS, a Partnership; interest at  
7% per annum payable annually from 2-27-81, beginning 2-27-82,  
with principal payable in annual installments of \$21,500.00  
beginning 2-27-82 and continuing until paid in full; having  
unpaid principal balance of (as of May 18, 1983) .....\$ 150,500.00  
with interest paid to February 27, 1983

Secured by Deed of Trust of even date, recorded on  
February 27, 1981 in Book 7681, Page 47, Document No.  
18608 in Official Records of Fresno County, California,  
encumbering real property in said County and State  
described as:  
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////

MCCORMICK, BARSTOW,  
SHEPPARD, WAYTE  
& CARRUTH  
ATTORNEYS AT LAW  
1331 FULTON MALL  
FRESNO,  
CALIFORNIA 93721

(b) To: ALFRED J. COELHO, JR. (continued)

4. (continued)

The West 877.56 feet of the East 1755.04 feet of the Northwest quarter and of the North quarter of the Southwest quarter of Section 26, Township 14 South, Range 20 East, Mount Diablo Base and Meridian, Fresno County, California.

EXCEPTING an undivided 1/2 interest in all mineral rights as reserved of record.

TOGETHER WITH an easement for ingress and egress over the West 30 feet of the East 1785.04 feet; the West 30 feet of the East 877.48 feet.  
APN 330-020-60

(Deed of Trust also encumbers all pumps, pipelines, and other irrigation facilities located on said real property)

5. \$ 97,650.00 Promissory Note dated 3-8-82 executed by DENKEN FARMS, a General Partnership; interest at 11.75%, subject to adjustment, payable annually from 3-17-82, beginning 3-17-83, with principal payable in annual installments of \$10,850.00 beginning 3-17-83 and continuing until paid in full; having unpaid principal balance of (as of May 18, 1983) .....\$ 86,800.00 with interest paid to March 17, 1983

Secured by Deed of Trust of even date, recorded on March 17, 1982 in Book 7875, Pages 929, 930 and 931, Document No. 22450, re-recorded to include Trustor's mailing address on March 31, 1982 in Book 7883, Pages 457, 458 and 459, Document No. 26844 in Official Records of Fresno County, California, encumbering real property in said County and State described as:

THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 26, TOWNSHIP 14 SOUTH, RANGE 20 EAST, MOUNT DIABLO BASE AND MERIDIAN, ACCORDING TO THE UNITED STATES GOVERNMENT TOWNSHIP PLAT;

EXCEPTING THEREFROM THE NORTHWEST 2-1/2 ACRES, AS DESCRIBED IN THE DEED RECORDED SEPTEMBER 8, 1927 IN BOOK 826 PAGE 464 OF OFFICIAL RECORDS;

ALSO EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PROPERTY:

BEGINNING AT A POINT IN THE NORTH LINE OF SAID SECTION SAID POINT BEARS NORTH 89 DEGREES 47 MINUTES 07 SECONDS WEST, 316.29 FEET FROM THE NORTHEAST CORNER OF SAID SECTION, SAID NORTHEAST CORNER BEING AT COORDINATES Y=495 640.162 FEET, AND X=1 799 021.235 FEET; THENCE (1) ALONG



(b) To: ALFRED J COELHO, JR. (continued)

5. (continued)

SAID NORTH LINE NORTH 89 DEGREES 47 MINUTES 07 SECONDS WEST, 1950.00; THENCE (2) AT RIGHT ANGLES, SOUTH 0 DEGREES 12 MINUTES 53 SECONDS WEST, 30.00 FEET; THENCE (3) SOUTH 82 DEGREES 56 MINUTES 32 SECONDS EAST, 151.08 FEET; THENCE (4) SOUTH 84 DEGREES 31 MINUTES 38 SECONDS EAST, 323.55 FEET; THENCE (5) SOUTH 47 DEGREES 13 MINUTES 13 SECONDS EAST, 490.92 FEET; THENCE (6) SOUTH 43 DEGREES 43 MINUTES 00 SECONDS EAST, 1261.12 FEET TO THE SOUTH LINE OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SAID SECTION; THENCE (7) ALONG SAID SOUTH LINE SOUTH 89 DEGREES 46 MINUTES 35 SECONDS EAST, 83.33 FEET; THENCE (8) NORTH 43 DEGREES 43 MINUTES 00 SECONDS WEST, 1318.94 FEET; THENCE (9) NORTH 38 DEGREES 49 MINUTES 03 SECONDS WEST, 351.29 FEET; THENCE (10) NORTH 0 DEGREES 12 MINUTES 53 SECONDS EAST, 20.22 FEET; THENCE (11) ALONG THE SOUTH LINE OF THE NORTH 75 FEET OF SAID SECTION, SOUTH 89 DEGREES 47 MINUTES 07 SECONDS EAST, 334.60 FEET; THENCE (12) ALONG A LINE PARALLEL WITH AND 95 FEET SOUTHWESTERLY, MEASURED AT RIGHT ANGLES FROM THE CENTERLINE OF THE DEPARTMENT OF PUBLIC WORKS SURVEY FROM TULARE COUNTY LINE TO VENTURA AVENUE IN FRESNO, ROAD-VI-FRE 4 B, SOUTH 43 DEGREES 43 MINUTES 00 SECONDS EAST 1717.96 FEET; THENCE (13) SOUTH 0 DEGREES 22 MINUTES 34 SECONDS EAST, 5.79 FEET TO SAID SOUTH LINE; THENCE (14) ALONG FIRST SAID SOUTH LINE, SOUTH 89 DEGREES 46 MINUTES 35 SECONDS EAST, 75.60 FEET TO THE EAST LINE OF SAID SECTION; THENCE (15) ALONG SAID EAST LINE, NORTH 0 DEGREES 34 MINUTES 44 SECONDS EAST, 1063.78 FEET; THENCE (16) AT RIGHT ANGLES, NORTH 89 DEGREES 25 MINUTES 16 SECONDS WEST, 30.00 FEET; THENCE (17) SOUTH 03 DEGREES 31 MINUTES 23 SECONDS WEST 350.46 FEET; THENCE (18) SOUTH 03 DEGREES 25 MINUTES 36 SECONDS WEST, 442.77 FEET; THENCE (19) ALONG A LINE PARALLEL WITH AND 95 FEET NORTHEASTERLY, MEASURED AT RIGHT ANGLES FROM SAID CENTERLINE, NORTH 43 DEGREES 43 MINUTES 00 SECONDS WEST 1355.28 FEET; THENCE (20) NORTH 87 DEGREES 41 MINUTES 55 SECONDS EAST, 501.13 FEET; THENCE (21) NORTH 85 DEGREES 04 MINUTES 18 SECONDS EAST, 200.81 FEET; THENCE (22) NORTH 0 DEGREES 12 MINUTES 53 SECONDS EAST, 30.00 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PROPERTY:

BEGINNING AT A POINT ON THE SOUTH LINE OF SAID NORTH HALF OF THE NORTHEAST QUARTER DISTANT THEREON 75.60 FEET WEST OF THE SOUTHEAST QUARTER THEREOF, BEING ALSO THE SOUTHERLY TERMINUS OF COURSE (13) OF THE DEED TO THE STATE OF CALIFORNIA, RECORDED MARCH 24, 1961 IN BOOK 4529 PAGE 670 OF OFFICIAL RECORDS; THENCE CONTINUING WEST ALONG SAID SOUTH LINE 390.27 FEET, MORE OR LESS, TO THE

(b) To: ALFRED J. COELHO, JR. (continued)

5. (continued)

EASTERLY TERMINUS OF COURSE (7) OF SAID DEED; THENCE  
ALONG COURSES (8) TO (13) OF SAID DEED AS FOLLOWS: NORTH  
43 DEGREES 43 MINUTES 00 SECONDS WEST 1318.94 FEET;  
THENCE NORTH 38 DEGREES 49 MINUTES 03 SECONDS WEST 351.29  
FEET; THENCE NORTH 0 DEGREES 12 MINUTES 53 SECONDS EAST  
20.22 FEET; THENCE ALONG THE SOUTH LINE OF THE NORTH 75  
FEET OF SAID SECTION SOUTH 89 DEGREES 47 MINUTES 07  
SECONDS EAST 334.60 FEET; THENCE ALONG A LINE PARALLEL  
WITH AND 95 FEET SOUTHWESTERLY MEASURED AT RIGHT ANGLES,  
FROM THE CENTERLINE OF THE DEPARTMENT OF PUBLIC WORKS  
SURVEY FROM TULARE COUNTY TO VENTURA AVENUE IN FRESNO,  
ROAD VI-FRE-4-B SOUTH 43 DEGREES 43 MINUTES 00 SECONDS  
EAST 1717.96 FEET; THENCE SOUTH 0 DEGREES 22 MINUTES 34  
SECONDS EAST 5.79 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM THE SOUTH 660 FEET TO THE WEST  
690 FEET, AS GRANTED TO THE FRESNO METROPOLITAN FLOOD  
CONTROL DISTRICT

AND ALSO EXCEPTING THEREFROM ALL THAT PORTION OF SAID  
LAND LYING EAST OF HIGHWAY 99

ASSESSOR'S PARCEL NUMBER 330-020-58

6. Real Property situated in the County of  
Fresno, State of California, consisting of 200 acres more or  
less of farmland, described as:

Lots 305 to 312 inclusive, and Lots 325 and 326  
of FRUIT VALE ESTATES, according to the map recorded  
in Book 3 page 67 of Maps, recorded April 10, 1889,  
records of Fresno County, California;  
EXCEPTING THEREFROM all oil, gas, and minerals  
as heretofore reserved of record.  
The above described premises are subject to  
highways and easements of record, if any.

PORTION OF TAX ASSESSOR'S PARCEL NO. 327-021-50

Appraised as of date of death at.....\$600,000.00

Subject to agreement for and consent to lien under Internal Revenue  
Code Section 6324A in favor of the Internal Revenue Service.

7. \$15,017.48 in cash, representing net  
income on immediately preceeding specifically devised real property  
earned during probate proceedings.  
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(b) To: ALFRED J. COELHO, JR. (continued)

8. The Decedent's interest in the partnership carried on with ALFRED COELHO, JR. in the name and style of Coelho and Son, which is a 50% interest in general partnership dba Coelho and Son, ranching and commercial hay bailing business. In addition, while it appears that the following described realty, comprised of approximately fifteen acres, together with all automobiles, and hay bailing equipment registered in the name of Coelho and Son, are assets of such partnership, if any of such assets should ever be found not to be partnership assets, all of the decedent's interest in the same shall nevertheless be distributed to ALFRED J. COELHO, JR.:

Lot 298 of Fruitvale Estate, in the County of Fresno, State of California, according to the map thereof recorded April 10, 1889 in Book 3, Page 67, of Maps, Fresno County Records.

EXCEPTING THEREFROM the North Half of the North Half of said Lot;

ALSO EXCEPTING THEREFROM all oil, gas, oil shale, coal, phosphate, sodium, gold, silver and all other metals and minerals of every character lying and being within or under each and every parcel of the above described real property, together with the exclusive right and privilege to enter upon the real property above described and every part thereof, and to prospect for, remove, and exploit the same, and use sufficient surface therefor and to develop by wells or otherwise and take and use such water on or in said real property as may be necessary for the aforesaid purposes; and reserving also the right to place and install on said real property and every part thereof, and thereafter to remove, such buildings, machinery, pipe and power lines and other facilities and property as reserved by the Regents of the University of California, a corporation of the State of California, in deed recorded January 16, 1953 in Book 3252, Page 104, of Official Records, Document No. 2776.

Tax Assessor's Parcel No. 327-021-20S

Decedent's interest in Coelho and Son partnership appraised as of date of death at .....\$363,780.00

9. One MILEY double horse trailer, approximately 15 years old; appraised at..... \$ 750.00

10. One VALCO single horse trailer, approximately 25 years old; appraised at ..... \$ 400.00

(b) To: ALFRED J. COELHO, JR. (continued)

11. Six Horses and Tack; appraised  
at..... \$6,000.00

(c) To: CHARLES ANTONE COELHO:

1. The Decedent's interest in the partnership carried on under the name and style of Coelho and Gunner, being a 50% interest in general partnership dba Coelho and Gunner, ranching and cattle business, subject to all the terms and conditions of that certain "Right of First Refusal and Option Agreement of the Partners of Coelho and Gunner", dated August 19, 1977, executed by Decedent and RICHARD V. GUNNER, as Trustee of the Vas Gunner Trust.

Subject also to the terms and conditions of the Agreement Concerning Death Taxes, dated June 11, 1982, executed by ALFRED J. COELHO, JR., CHARLES ANTONE COELHO and RICHARD V. GUNNER, as Executor of Will of ALFRED JOSEPH COELHO, Deceased, relating to any acceleration of deferred taxes, in connection with such partnership, as set forth in paragraph 8 of said Agreement.

Decedent's interest in said partnership appraised as of  
date of death at ..... \$322,000.00

(d) To: RICHARD V. GUNNER, TRUSTEE, or any successor Trustee, of the ALFRED JOSEPH COELHO TESTAMENTARY TRUST, the property hereinafter specified, to be held, administered and distributed as follows:

1. Ordinary Trust Provisions.

(a) The Trustee shall pay to or apply to the benefit of the Trustor's son, JOSEPH ALLEN COELHO (hereinafter referred to as "JOSEPH") and to JOSEPH's mother, KATHERINE LEVINA COELHO, so much of the net income of the Trust as in the sole discretion of the Trustee shall be reasonably necessary and proper to provide for the care, maintenance, support and education of JOSEPH and for the care, maintenance and support of KATHERINE LEVINA COELHO, and to take care of their needs in case of illness or emergency, taking into account, to the extent the Trustee deems advisable, any other income resources of said beneficiaries known to the Trustee and reasonably available for these purposes. If at any time or from time to time during the term of this Trust, the net income from this Trust shall, in the judgment of the Trustee, be insufficient to provide for the proper care, maintenance, support and education of JOSEPH and the proper care, maintenance, and support of KATHERINE LEVINA COELHO and to take care of their needs in case of illness or emergency, the Trustee shall pay additional amounts out of the principal of this Trust for such purposes. Any net income not distributed shall be accumulated and added to principal. In exercising the discretions conferred by this subparagraph, the Trustee may pay more to or apply more for one beneficiary than the other and may



1 make payments to or application of benefits for one beneficiary to the  
 2 exclusion of the other if the Trustee shall deem this necessary or  
 3 appropriate in light of the circumstances, the size of the Trust Estate,  
 4 and the probable future needs of the beneficiaries. Any payment or  
 5 application of benefits pursuant to this subparagraph shall be charged  
 6 against the Trust Estate as a whole. During the period when JOSEPH is  
 7 under the age of eighteen, the Trustee may make any payments for his  
 8 benefit, whether of income or of principal, to KATHERINE LEVINA COELHO, or  
 9 to the person with whom JOSEPH resides, either directly or as custodian  
 10 under the Uniform Gift to Minors Act, or to Joseph's guardian, or directly  
 11 to Joseph, or otherwise, as the Trustee may determine. The Trustee shall  
 12 not be required to see that the application of any sum so paid is  
 13 consistent with the terms of this Trust, and the Trustee shall not be  
 14 responsible for any error of judgment in determining the propriety of the  
 15 amount of any such payment.

16 (b) This Trust shall terminate upon the earlier of the  
 17 following events:

- 18 or
- 19 (1) JOSEPH's survival until his thirty-fifth birthday;
- 20 (2) The death of the survivor of JOSEPH and KATHERINE  
 21 LEVINA COELHO.

22 (c) If this Trust shall have terminated in accordance with  
 23 section (1) of subparagraph (b) of this Paragraph 1, then all of the  
 24 property of this Trust, including any undistributed income then held by the  
 25 Trustee, shall be distributed, free of trust, to JOSEPH. If this Trust  
 26 shall have terminated in accordance with section (2) of subparagraph (b) of  
 27 this Paragraph 1, then the property of this Trust shall be distributed,  
 28 free of trust, to JOSEPH's then living issue and to the daughter of  
 KATHERINE LEVINA COELHO, STAR VERNON, of Fresno, California, if she is then  
 surviving, per stirpes. For purposes of making the distributions of the  
 Trust property provided for in this subparagraph, STAR VERNON shall be  
 deemed to be a first generation lineal descendant of JOSEPH. If neither  
 any issue of JOSEPH nor STAR VERNON are then surviving, the property of  
 this Trust, including any undistributed income, shall be distributed, free  
 of Trust, to those persons who would have been the Trustor's heirs if he  
 had died upon the date of such distribution, their identities and their  
 respective shares to be determined according to the laws of the State of  
 California in effect at the date of the Trustor's death.

(d) Notwithstanding anything to the contrary in this  
 Paragraph, the interest in this Trust of KATHERINE LEVINA COELHO shall  
 completely terminate upon the earliest of the following events:

- (1) Her death;
- (2) The thirty-fifth birthday of JOSEPH, if JOSEPH is  
 then living; or
- (3) Her willful and voluntary failure to reside with  
 and care for JOSEPH while he is under the age of eighteen.

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1  
2 (e) No interest in the principal or income of this Trust  
3 shall be anticipated, assigned or encumbered, or subjected to any  
4 creditor's claim or to legal process prior to its actual receipt by the  
5 beneficiary.

6 2. Perpetuity Savings Clause. Unless sooner terminated in  
7 accordance with other provisions of this Trust, this Trust shall terminate  
8 twenty-one years after the death of the last survivor of KATHERINE LEVINA  
9 COELHO, JEANNE STEER, ALFRED COELHO, JR., CHARLES ANTOINE COELHO, JOSEPH  
10 ALLEN COELHO and STAR VERNON. All principal and undistributed income of  
11 this Trust as so terminated shall be distributed to the then income  
12 beneficiaries of this Trust in the proportions in which they are, at the  
13 time of termination, entitled to receive the income; provided, however,  
14 that if the rights to income are not then fixed by the terms of the Trust,  
15 distribution under this clause shall be made, in equal shares to those  
16 beneficiaries who are then entitled or authorized to receive income  
17 payments from this Trust.

18 3. Administrative Powers of Trustee. To carry out the purpose  
19 of this Trust, and subject to any additions or limitations stated elsewhere  
20 in this Trust, and Trustee is vested with the following powers with respect  
21 to this Trust and any part thereof, in addition to those powers now or  
22 hereafter conferred by law:

23 (a) The Trustee shall have the power to invest and reinvest  
24 all or any part of the Trust Estate in such common or preferred stocks,  
25 shares of investment trusts, and investment companies, bonds, debentures,  
26 mortgages, deeds of trust, notes, real estate or other property as the  
27 Trustee in the Trustee's absolute discretion may select; and the Trustee  
28 may continue to hold in the form in which received (or the form to which  
changed by reorganization, split-up, stock dividend, or other like  
occurrence) any securities or other property the Trustee may at any time  
acquire under this Trust, it being the Trustor's express desire and  
intention that the Trustee shall have full power to invest and reinvest the  
Trust funds without being restricted to forms of investment that the  
Trustee may otherwise be permitted by law to make; and the investments need  
not be diversified.

21 (b) The Trustee is expressly authorized to continue to hold  
22 any income producing property, including shares of the Trustee's own stock,  
23 and is authorized to hold the residence property that the Trustee receives,  
24 or acquires under this Trust so long as JOSEPH continues to occupy the  
25 same. The Trustee shall not be required to charge any rental to the  
26 guardian of JOSEPH or his mother for occupying such residence or any other  
27 residence later acquired by the Trustee.

28 (c) The Trustee shall have all the rights, powers and  
privileges of an owner of the securities held in Trust, including, but not  
by way of limitation, the power to vote, give proxies, and pay assessments,  
to participate in voting trusts, pooling agreements, foreclosures,  
reorganizations, consolidations, mergers, liquidations, sales and leases,  
and incident to such participation to deposit securities with and transfer  
title to any protective or other committee on such terms as the Trustee may  
deem advisable; and to exercise or sell stock subscription or conversion  
rights.

1 (d) The Trustee shall have the power to hold securities or  
2 other property in the Trustee's name as Trustee under this Trust or in the  
3 Trustee's own name, or in the name of a nominee, or the Trustee may hold  
4 securities unregistered in such condition that ownership will pass.

5 (e) To the extent permitted by law, the Trustee is  
6 authorized to continue to hold and operate, to sell, or to liquidate, at  
7 the risk of the Trust Estate, any business, partnership interest, or  
8 capital stock of any corporation that the Trustee receives or acquires  
9 under this Trust as the Trustee deems advisable.

10 The Trustee shall incur no liability for misconduct,  
11 mismanagement, or negligence on the part of any employee of a business, any  
12 employee or partner of a partnership, or employee, officer, or director of  
13 a corporation, who is not an officer or employee of the Trustee. In the  
14 absence of any actual notice to the contrary, the Trustee may accept as  
15 correct financial or other statements rendered by any accountant for any  
16 business or by any partnership or corporation. Any business, partnership  
17 or corporation shall be regarded as an entity separate from the Trust, and  
18 no accounting as to business or operation of any such partnership or  
19 corporation shall be required to be made to the probate court.

20 (f) The Trustee shall have the power to manage, control,  
21 grant options on, sell (for cash or on deferred payments), convey,  
22 exchange, partition, divide, improve, and repair Trust property.

23 (g) The Trustee shall have the power to lease Trust  
24 property for terms within or beyond the term of the Trust and for any  
25 purpose, including exploration for and removal of gas, oil, and other  
26 minerals; and to enter into community oil leases, pooling and unitization  
27 agreements.

28 (h) The Trustee shall have the power to borrow money, and  
to encumber or hypothecate Trust property by mortgage, deed of trust,  
pledge or otherwise.

(i) The Trustee shall have the power to commence or defend  
such litigation with respect to the Trust or any property of the Trust  
Estate as the Trustee may deem advisable, at the expense of the Trust.

(j) The Trustee shall have the power to compromise or  
otherwise adjust any claims or litigation against or in favor of the Trust.

(k) The Trustee shall have the power to carry, at the  
expense of the Trust, insurance of such kinds and in such amounts as the  
Trustee deems advisable to protect the Trust Estate and the Trustee against  
any hazard.

(l) Except as otherwise specifically provided in this  
Trust, the determination of all matters with respect to what is principal  
and income of the Trust Estate and the apportionment and allocation of  
receipts and expenses between these accounts shall be governed by the  
provisions of the California Principal and Income Law from time to time  
existing. Any such matter not provided for either in this Trust or in the  
Principal and Income Law shall be determined by the Trustee in the  
Trustee's discretion.

1 (m) The Trustee shall allocate to income of the Trust  
2 Estate all proceeds from property subject to depletion or containing  
3 natural resources to the extent that these proceeds do not exceed five  
4 percent per annum of the inventory value of the property or those resources  
5 as fixed by the appraiser or appraisers regularly appointed by the court,  
6 or in default of such appraisals, the fair market value at the time the  
7 principal was established, or the cost if acquired later; and the Trustee  
8 shall allocate the remainder of the proceeds to principal.

9 (n) The Trustee shall have the power to purchase bonds and  
10 to pay such premiums in connection with the purchase as the Trustee in the  
11 Trustee's discretion deems advisable; provided, however, that each premium  
12 shall be repaid to principal out of the interest on the bonds, and to the  
13 extent necessary out of the proceeds on the sale or other disposition of  
14 the bond.

15 (o) Notwithstanding any other provision in this Trust, the  
16 Trustee shall allocate to principal all dividends or other payments or  
17 distributions made by any corporation or mutual fund that are designated by  
18 the corporation or mutual fund as a distribution of capital gains.

19 (p) Accrued income and undistributed income held by the  
20 Trustee on the termination of any interest in this Trust shall be paid to  
21 the next succeeding beneficiaries in proportion to their interests in this  
22 Trust.

23 (q) Among successive beneficiaries of this Trust, all taxes  
24 and other current expenses shall be prorated over the period to which they  
25 relate on a daily basis.

26 (r) The Trustee shall have the power to loan or advance the  
27 Trustee's own funds to the Trust for any Trust purpose, with interest at  
28 current rates, to receive security for such loans in the form of a  
mortgage, pledge, deed of trust, or other encumbrance of any assets of the  
Trust, to purchase assets of the Trust at their fair market value as  
determined by an independent appraisal of those assets, and to sell  
property to the Trust at a price not in excess of its fair market value as  
determined by an independent appraisal.

29 (s) In any case in which the Trustee is required, pursuant  
30 to the provisions of the Trust, to divide any Trust property into parts or  
31 shares for the purpose of distribution or otherwise, the Trustee is  
32 authorized, in the Trustee's absolute discretion to make the division and  
33 distribution in kind, including undivided interests in any property, or  
34 partly in kind and partly in money, and for this purpose to make such sales  
35 of the Trust property as the Trustee may deem necessary on such terms and  
36 conditions as the Trustee shall see fit.

37 (t) At the time for distribution of any property in this  
38 Trust, the Trustee shall have the power in the Trustee's absolute  
discretion to withhold, without the payment of interest, all or any part of  
the distribution from the person entitled thereto, so long as the Trustee  
shall determine that the property may be subject to conflicting claims.  
The Trustee shall have the power to withhold distribution pending  
determination of income tax liability, if any, in connection with such  
distribution.



(u) The Trustee shall have the power to release or to restrict the scope of any power that he may hold in connection with the Trust, whether such power is expressly granted in this Trust or implied by law.

(v) The Trustee shall have the power in the Trustee's absolute discretion to take any action and to make any election to minimize the tax liabilities of this Trust and its beneficiaries, and to allocate the benefits among the various beneficiaries and to make adjustments in the rights of any beneficiaries, or between the income and principal accounts, to compensate for the consequence of any tax election or any investment or administrative decision that the Trustee believes has had the effect of directly or indirectly preferring one beneficiary or group of beneficiaries over others.

(w) The Trustee in the Trustee's discretion shall have the power to pay from the Trust Estate, and to allocate between income and principal, any inheritance, estate or other death taxes occasioned by the death of any beneficiary of the Trust to the extent that such taxes are attributable to the Trust Estate or any part of the Trust Estate.

(x) The Trustee is expressly authorized in the Trustee's absolute discretion to permit JOSEPH and his guardian or mother to occupy any real property forming a part of the Trust Estate on such terms as the Trustee shall deem proper, whether rent free or in consideration of payment of taxes, insurance, maintenance and ordinary repairs, or otherwise. The Trustee is expressly authorized in the Trustee's absolute discretion to acquire any residential property and permit JOSEPH and his guardian or mother to occupy the same whether rent free or in consideration of payment of taxes, insurance, maintenance and ordinary repairs or otherwise.

(y) Additional property acceptable to the Trustee may be added to this Trust by any person.

(z) The validity of this Trust and the construction of its provisions shall be governed by the laws of the State of California in force on the date of the Trustor's death.

4. Appointment of Successor Trustee. If RICHARD V. GUNNER shall for any reason fail to qualify or cease to act as Trustee, ALFRED COELHO, JR., shall serve as the Trustee. The term "the Trustee" as used in this Trust shall include any Trustee named in this Trust or successor Trustee appointed by court. No bond shall be required of any person named as Trustee of this Trust.

5. Additional Fiduciary Powers. Any Trustee duly qualified and acting as such under this Trust shall be authorized and empowered to make any payment or distribution (required or authorized under this Trust) either wholly or partly in kind at market value at the date of distribution and to cause any share to be composed of cash, property or undivided fractional interests in property, or undivided fractional interests of property different in kind from any share, without regard to differences in tax basis of any such property.

The property distributed to the said Trustee or any

successor Trustee, hereunder, is described as follows:

1. Improved Real Property situated in the County of Fresno, State of California commonly known as 1710 S. GRANTLAND, FRESNO, CALIFORNIA, consisting of a single-family dwelling, farm building and 160 acres more or less of farmland, described as:

The Southwest quarter of Section 16, Township 14 South, Range 19 East, M.D.B. & M, in the County of Fresno, State of California, according to the United States Government Township Plat approved by the Surveyor General November 30, 1854; EXCEPTING THEREFROM all oil, gas, oil shale, coal, phosphate, sodium, gold, silver, and all other metals, and minerals of every character lying and being within or under said land, as reserved in the deed from the Regents of the University of California, a corporation, to Edward A. Waller and Nevada Waller, husband and wife, as joint tenants, dated June 7, 1949, recorded June 7, 1949 in Book 2764 page 141 of Official Records, which said deed provides: The exclusive right and privilege to enter upon the said real property and every part thereof and to prospect for, remove and exploit the same and use sufficient surface therefor, and to develop by wells or otherwise and take and use such water on or in said real property as may be necessary for the aforesaid purposes, and reserving also the right to place and install on said real property and every part thereof, and thereafter to remove such buildings, machinery, pipe and power lines and other facilities and property as may be necessary or convenient in connection therewith; providing however, that in no event shall the party of the first part or its successors or assigns share, infringe upon, damage, destroy or interfere with any improvements upon said real property without payment of a reasonable amount for damages caused thereby. The above described premises are subject to highways and easements of record, if any.

TAX ASSESSOR'S PARCEL NO. 327-021-51

Subject to the terms and conditions of the Agreement Concerning Death Taxes, dated June 11, 1982, executed by ALFRED J. COELHO, JR., CHARLES ANTONIO COELHO and RICHARD V. GUNNER, as Executor of Will of ALFRED JOSEPH COELHO, Deceased, relating to any acceleration of deferred taxes, in connection with the above real property, as set forth in Paragraph 8 of said Agreement.

Appraised as of date of death at ..... \$580,000.00

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(d) To: RICHARD V. GUNNER, Trustee, or any Successor  
Trustee (continued):

2. Real Property situated in the County  
of Fresno, State of California, consisting of 40 acres more or less  
of farmland, described as:

Lots 327 and 328 of FRUIT VALE ESTATES, according  
to the map recorded in Book 3 page 67 of Maps,  
recorded April 10, 1889, records of Fresno  
County, California;  
EXCEPTING THEREFROM all oil, gas, and minerals  
as heretofore reserved of record.  
The above described premises are subject to  
highways and easements of record, if any.

PORTION OF TAX ASSESSOR'S PARCEL NO. 327-021-50

Subject to the terms and conditions of the Agreement Concerning  
Death Taxes, dated June 11, 1982, executed by ALFRED J. COELHO, JR.,  
CHARLES ANTONIO COELHO and RICHARD V. GUNNER, as Executor of Will of  
ALFRED JOSEPH COELHO, Deceased, relating to any acceleration of  
deferred taxes, in connection with the above real property, as  
set forth in Paragraph 8 of said Agreement.

Appraised as of date of death at ..... \$120,000.00

3. \$10,958.82 in cash, representing net income  
on the two immediately preceeding specifically devised real  
properties earned during probate proceedings.

4. Household Furniture, Furnishings and  
Personal Effects at 1710 S. Grantland, Fresno, California,  
appraised at ..... \$3,000.00

(12) Any other property of the Decedent or of the Estate not now  
known or discovered is hereby distributed to JEANNE STEER, ALFRED J.  
COELHO, JR., CHARLES ANTONIO COELHO, KATHERINE LEVINA COELHO, and RICHARD V.  
GUNNER, as Trustee, or Successor Trustee, of the ALFRED JOSEPH COELHO  
TESTAMENTARY TRUST, in equal shares.

DATED: AUG 25 1983

  
JUDGE OF SAID SUPERIOR COURT