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Vol. m89 Page 6427

SISKIYOU-COUNTY-TITLE CO

OFFICIAL RECORDS
SISKIYOU COUNTY, CALIF.

SEP 23 9 54 AM '88

#88011188

David A. Ellodge

Fee: 15.00

CERTIFICATION OF S-H TRUST

The undersigned hereby certify:

1. That HARRY L. OREM and GARY D. OREM are Trustees of that certain Declaration of Trust dated the same date as this Certificate wherein HARRY L. OREM, JUNE D. OREM, GARY D. OREM, and LOUDEAN OREM are Trustor and HARRY L. OREM and GARY D. OREM are Initial Trustee.

2. That, for the purposes of convenience, the Trust created by the aforesaid Trust Agreement is named the "S-H TRUST".

3. That the aforesaid Trust Agreement contains, inter alia, the following provisions:

a. The powers of Trustees over assets subject to the Declaration of Trust are set forth in Exhibit "A".

b. The successors to HARRY L. OREM and GARY D. OREM as Trustees are set forth in Exhibit "B".

c. The definitions of terms used herein are set forth in Exhibit "B".

4. This Certificate shall not be construed as amendatory of the Declaration of Trust and, to the extent that any portion of this Certificate should conflict with the Declaration of Trust, the provisions of the Declaration of Trust shall control.

DATED this 19 day of September, 1988.

Harry L. Orem
HARRY L. OREM, Trustor*June D. Orem*
JUNE D. OREM, Trustor*Gary D. Orem*
GARY D. OREM, Trustor*Loudean Orem*
LOUDEAN OREM, Trustor*Harry L. Orem*
HARRY L. OREM, Initial Trustee*Gary D. Orem*
GARY D. OREM, Initial Trustee

STATE OF OREGON, County of Klamath) ss:

September 19, 1988

Before me personally appeared the above named HARRY L. OREM, JUNE D. OREM, GARY D. OREM, and LOUDEAN OREM, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

(SEAL)

KIRSTINE L. PROCK
NOTARY PUBLIC - OREGON

My Commission Expires _____

Kirstine L. Prock
NOTARY PUBLIC FOR OREGONMy Commission Expires: 12/16/88

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EXHIBIT "A"

POWERS OF TRUSTEE: The duties and powers of Trustee are:

A. In General: Unless expressly provided otherwise herein, the duties and powers of Trustee shall be those specified in Part 4 of the California Probate Code (except those portions thereof pertaining to Private Foundations and Charitable Trusts) as the same now are (whether as presently expressed in said California Probate Code or as construed by a published opinion of a court of competent jurisdiction) or may be later amended or construed.

B. Specific Duties and Powers: In addition to the duties and powers provided in the immediately preceding Subarticle A, Trustee shall have the following powers to:

1. Transfer or Encumber Title: Sell, assign, convey, or otherwise transfer title to any portion of the Trust Estate's property, including any interest in any mortgage (embracing, for the purposes of the Declaration of Trust, deeds of trust, security agreements, financing statements, consumer loan transaction documentation), lease, or other interest in any real or personal property comprising the Trust Estate.
2. Lease or Agister: Lease, or agist, upon such terms as may be deemed proper, all or any portion of the Trust's real and personal property, whether or not the property or facility is to be occupied by the lessee or subleased in whole or in part to others.
3. Borrow Money: Borrow money for the Trust on the security of all or any part of its real and personal property, and in conjunction therewith, execute all the necessary instruments and documents, including, but not limited to, bonds, notes, mortgages, pledges, security agreements, and confessions of judgment for and on behalf of the Trust.
4. Replace Mortgage: Obtain replacements of deeds of trust, or mortgages, of the Trust's property.
5. Refinance Trust Debts: Prepay in whole or in part, refinance, recast, increase, modify, consolidate, correlate, or extend, on such terms as Trustee may deem proper, any mortgages, deeds of trust, or contracts affecting Trust's real or personal property.
6. Permit Title in Nominee: Place record title to the Trust's real and personal property in the name or names of a nominee or nominees for the purpose of mortgage, trust deed, or similar debt, financing or any other convenience or benefit to the Trust.
7. Employ Managers: Employ from time to time, on such terms and for such compensation as are proper, persons (including a Beneficiary) to operate and manage the Trust's property and business.
8. Establish Funded Reserves: Set aside capital or other funds for payment of past, current, and future liabilities of the Trust.
9. Determine Income or Loss: In accordance with accounting principles consistently applied, and unless otherwise provided herein, determine whether items of income, gain, loss, deduction, or credit shall be treated either as capital or extraordinary items, or, alternatively, as Profit or Loss items.
10. Establish Banking Arrangements: Select and open Trust bank accounts, with withdrawals therefrom to be made upon signatures designated by Trustee.
11. Keep Books of Account: Keep books of account in accordance with accounting principles applied on a consistent basis in which each Trust transaction shall be entered and which shall be adequate to reflect the allocations, disbursements, and distributions set forth in the Declaration of Trust, and to provide the information to be included in the annual report to a Beneficiary specified in the Declaration of Trust.

EXHIBIT "A"

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These books of account shall be maintained at the Trust's principal office or at any other place designated by Trustee, and shall be open to reasonable inspection and examination by any Beneficiary and their duly authorized representatives.

12. Engage Accountants: Have the accountants for the Trust prepare annual financial reports and deliver to a Beneficiary reports of operations. They shall deliver to each Beneficiary (as soon as practicable after the close of each Trust year) a copy of the annual report or a separate report indicating each Beneficiary's share for federal and state income tax purposes of the Profits, Losses, and other allocable items of the Trust for such year.

13. Execute and Deliver Documents: Execute, acknowledge, and deliver any and all documents and/or instruments to effectuate any of the foregoing powers.

14. Agricultural Property: 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.

15. Hold Each Beneficial Interest as a Separate Interest: Hold the interest of each Beneficiary in the Trust Estate of each Beneficiary as a separate aliquot interest fully vested and the powers herein declared or granted shall not be construed as prohibiting the vesting of each aliquot interest in the Trust Estate in a Beneficiary.

16. Employ Professionals: 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.

17. Pay to Beneficiary: 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. 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.

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18. Distribution of Trust Income and Principal: 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 of this paragraph, 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 paragraph for a reasonable period after termination of the Trust Estate.

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EXHIBIT "B"

TRUSTEE: The following provisions shall govern who shall act as Trustee:

A. Initial Trustee: The Initial Trustee shall be Harry and Gary; each of whom shall serve for the entire term of the Trust, unless his tenure is terminated by death, resignation or incapacity. The death, resignation, or incapacity of either Harry or Gary shall not terminate the Trust or in any way affect its continuity. In the event of the death, resignation, or incapacity of either Harry or Gary, the resulting vacancy shall be filled by the Successor Trustee according to the provisions of Subarticle B and Subarticle C immediately following.

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

1. Successor Trustee to Harry: In the event of the death, resignation, or incapacity of Harry, June shall be Successor Trustee to Harry.

2. Successor Trustee to Gary: In the event of the death, resignation, or incapacity of Gary, Loudean shall be Successor Trustee to Harry.

3. Successor Trustee If No Two Trustees Acting: In the event of the death, resignation, or incapacity of any of those named as Trustee, or Successor Trustee, in such manner that there shall be only one Trustee able to act as Trustee, the resulting vacancy shall be filled by the then remaining Trustee able and willing to act.

4. Written Consent to Act as Trustee: The Successor Trustee shall, upon assuming the office of Trustee, execute a written consent to act as Trustee under the terms of the Declaration of Trust.

C. 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:

1. 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, those Beneficiaries who are over the age of 25 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 Beneficiary living and competent, such Beneficiary may select a Successor Trustee.

2. By Anyone Interested in the Trust Estate: If no one authorized in Subarticle C selects a Successor Trustee within ninety (90) days from the date there should be no Trustee acting under the provisions herein, anyone interested in any portion of this 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. Any selection of a Successor Trustee as provided in this paragraph shall be limited to a Beneficiary unless no Beneficiary is able or willing to act as Trustee, in which event such Successor Trustee shall be a Corporate Trustee.

3. Corporate Trustee as Successor Trustee Subject to Certain Provisions: If any Successor Trustee should be a Corporate Trustee and such Corporate Trustee should sell or transfer its business or its trust department, or should consolidate or merge with another institution authorized to transact trust business in the State of California, any successor to a Corporate Trustee shall act as successor to a Corporate Trustee without further formality other than the instruments necessary to accomplish the succession itself.

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D. 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.

E. 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.

DEFINITIONS: The following terms shall have the following meanings:

1. Harry: The term "Harry" shall mean HARRY L. OREM.
2. June: The term "June" shall mean JUNE D. OREM.
3. Gary: The term "Gary" shall mean GARY D. OREM.
4. Loudean: The term "Loudean" shall mean LOUDEAN OREM.
5. Party, Party's, Parties: The terms "Party", "Party's", or "Parties" shall mean Harry, June, Gary, Loudean, or a Beneficiary, jointly or severally, as the context and circumstances shall require.
6. Trustor: The term "Trustor" shall mean either Harry, June, Gary, or Loudean, as the context requires.
7. Initial Trustee: The term "Initial Trustee" shall mean Harry and Gary.
8. Successor Trustee: The term "Successor Trustee" shall mean the successor to the Initial Trustee as provided herein.
9. Corporate Trustee: The term "Corporate Trustee" shall mean a bank or trust company selected as provided herein.
10. Trustee: The term "Trustee" shall mean whomever shall act as a Trustee pursuant to the Declaration of Trust.
11. Beneficiary: The term "Beneficiary" shall mean Harry, June, Gary, Loudean, or their respective assigns or successor in interest.
12. Trust Estate: The term "Trust Estate" shall mean those assets subject to the provisions of the Declaration of Trust as the context shall require.

STATE OF OREGON.
County of Klamath ss.

Filed for record at request of:

AFTER RECORDING RETURN TO:

GIACOMINI & KNIIPS
ATTORNEYS AT LAW
635 MAIN STREET
KLAMATH FALLS, OREGON 97601

Klamath County Title Co.
on this 17th day of April A.D., 19 89
at 9:55 o'clock A. M. and duly recorded
in Vol. M89 of Deeds Page 6427
Evelyn Biehn County Clerk
By Dorinda Mullendore

Deputy.

EXHIBIT "B"

Fee, \$33.00

Don't put names