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2. Life Income to Settlor. During the lifetime of the Settlor, the Trustee shall pay the entire net income from the Trust estate in convenient installments to the Settlor or otherwise as she may from time to time direct in writing and the Trustee shall also pay to her such part or all of the principal of the Trust Estate as she may request in writing from time to time.

3. Incapacity of Settlor. If at any time the Settlor is under a legal disability by reason of illness or mental or physical disability, or is in the opinion of the Trustee unable to make or communicate responsible decisions concerning her affairs, the Trustee shall use the income in part or all of the principal for the care, support and comfort of the Settlor, for the payment of any insurance premiums, or for any purpose the

Trustee deems to be for the best interests of the Settlor in such manner as he deems best.

In determining whether to act or cease to act under this clause, the Trustee shall consult with my legal counsel or shall obtain a written medical opinion from my physician, as appropriate.

4. Disposition at Settlor's Death. Upon the Settlor's death, the Trustee shall distribute all property then belonging to the principal of the Trust to such person or persons in such proportions as the Settlor may appoint by a Will specifically referring to this indenture.

If the Settlor shall fail to exercise, or shall not fully and effectually exercise, such power of appointment, all property not effectively appointed shall be distributed to the legal representatives of the Settlor's estate to be disposed of as part of her estate.

5. Trustee's Powers. The Trustee shall hold, manage, lease, care for, and protect the Trust Estate and collect the income, all in accordance with his best judgment and discretion, being fully authorized to caused any securities or other property, real or personal, belonging to the Trust Estate to be held or registered in his name or in the name of his nominee or in such other form as he deems best without disclosing the Trust relationship. Any leases that may be made may commence at the time of making or on a future day and may be for any period of

time the Trustee thinks best, though extending beyond the term of the Trust. The Trustee may continue to hold any property or securities originally received by he or at any time transferred to the Trust, even if not of a type or quality not constituting a diversification considered proper for Trust investments. The Trustee is fully authorized to invest and reinvest the Trust Estate in bonds, stocks, mortgages, notes, common Trust fund participations, insurance, or other property of any kind, real or personal, irrespective of any statutes or rules of law limiting the investment of Trust funds. The Trustee is given full power to sell, at public or private sale, and to convey any and all of the trust property in any reinvestments from time to time for such price and upon such terms as he shall see fit. The Trustee shall have authority to employ and to delegate any of his powers to any agents, attorneys, and employees as he shall deem necessary or proper. He is also authorized to borrow money, to extend or renew any existing indebtedness, and to mortgage, create a security interest in, or pledge any property in the Trust Estate; and no purchaser, holder of a security interest in, or mortgagee shall be obliged to see to the application of any purchase or mortgage money. The Trustee may vote either in person or by general or limited proxy, or refrain from voting any corporate securities for any purpose. The Trustee may exercise or sell any subscription or conversion rights, and may avail himself of any options or benefits under any life insurance policies; he may consent to or join in any voting Trusts,

reorganizations, consolidations, mergers, foreclosures, and liquidations, and in this connection may deposit securities with or under the direction of any protective committee under such terms as the Trustee may deem advisable, and may accept or hold any securities or other property received through the exercise of any of the foregoing powers. The Trustee is authorized to settle, compromise, contest, prosecute, or abandon claims in favor of or against the Trust Estate as he may deem advisable. For such purposes, the Trustee may execute and deliver all proper and necessary instruments and may give full receipts and discharges. The Trustees shall also have the power to determine, irrespective of the statute or rule of law, how all receipts and disbursements, including the Trustee's compensation, shall be credited, charged, or proportioned as between income and principal, and the decision of the Trustee shall be final and not subject to question by any beneficiary of the Trust. The Trustee is authorized in his sole discretion to divide or distribute the Trust property in undivided interests or in kind, or partly in cash and partly in kind, and to sell the property as the Trustee may deem advisable for the purpose of making division or distribution. The judgment of the Trustee as to values for the purpose of such division or distribution shall be binding and conclusive on all persons, except that the Trustee's acts and judgments under this section shall be only rebuttably presumed correct where such acts or judgments are to the pecuniary advantage of the Trustee.

6. Settlor's Powers. Notwithstanding anything herein contained to the contrary, the Trustee shall be subject to the following:

A. As long as the Settlor is living and under no legal disability and has not relinquished the rights and powers reserved to her, no sale or investment shall be made without her written approval, unless she fails to indicate her approval or disapproval of any proposed sale or investment within 10 days after being requested to do so in writing.

B. As long as the Settlor is living and under no legal disability and has not relinquished the rights and powers reserved to her, she shall have full power and authority to direct the retention or sale of any securities or property from time to time, included in the Trust Estate, and to direct the purchase of securities or property with any principal cash belonging to the Trust Estate, and the Trustee shall have no responsibility for any loss that may come to the Trust Estate by reason of acting without question upon any such direction.

C. The Settlor may from time to time, with or without full power of revocation, by instrument in writing deliver to the Trustee, delegate to any other person, or to the Trustee with his consent, or may relinquish any or all of the rights and powers reserved to her. The statement of the Trustee that he is acting in accordance with the provisions of this subparagraph or subparagraphs A or B, shall be

conclusive and shall fully protect all persons dealing with the Trust Estate.

7. Accounting by Trustee. The Trustee shall render at least semi-annually, to the Settlor if living, otherwise to the adult income beneficiaries of the Trust Estate, statements of account of his receipts and disbursements. The Trustee shall be entitled to receive a fair and just compensation for his services and shall also be reimbursed for all reasonable expenses incurred in the management and protection of the Trust Estate.

8. Resignation of Trustee. Any Trustee at any time may resign by written notice to the Settlor, if living, otherwise to the adult beneficiary or beneficiaries then entitled to the income from the Trust Estate (or if none, to the parent, guardian, or conservator of any income beneficiary of the Trust Estate who is under disability). In the event of the resignation, refusal, or inability to act of the designated Trustee, I appoint ROBERT W. NIDEVER, as successor Trustee, or whomever I may otherwise appoint to administer the Trust Estate. Any such successor Trustee shall be vested with all the duties, rights, titles, and powers, whether discretionary or otherwise, as if originally named as Trustee. No successor Trustee shall be liable in any way for any acts or defaults of any predecessor Trustee nor for any loss or expense occasioned by anything done or neglected to be done by any predecessor Trustee, but such successor Trustee shall be liable only for his or his own acts and defaults in respect to property actually received as

Trustee; and with the consent of the Settlor, the successor Trustee may accept the account rendered in the assets and property delivered to he by the predecessor Trustee as a full and complete discharge to the predecessor Trustee, and shall incur no liability or responsibility to any beneficiary under this agreement by reason of so doing.

9. Additional Property. The Settlor or any person shall have the right at any time with the consent of the Trustee to transfer, assign, convey, devise, and bequeath any additional securities or property to the Trustee, to be held by he under this agreement, and he or she may designate the portion of the Trust Estate to which such additional securities or property shall be added.

10. Power of Amendment and Revocation. The Settlor shall have the right at any time during her lifetime by instrument in writing delivered to the Trustee to alter, amend, or revoke this agreement, either in whole or in part; provided, however, that if altered or amended, the duties, powers, and responsibilities of the Trustee shall not be substantially changed without his consent. In case of revocation, the Trust Estate, or that part as to which this agreement may be revoked, shall be conveyed by the Trustee to the Settlor or in accordance with her written directions.

IN WITNESS WHEREOF, ELEANOR NIDEVER has set her hand and seal, and WILLIAM E. NIDEVER, to evidence acceptance of the Trust, has caused his name to be signed by his duly authorized officer, the day and year first written above.

SETTLOR:

Eleanor I. Nidever
ELEANOR NIDEVER

TRUSTEE:

William E. Nidever
WILLIAM E. NIDEVER

AFTER RECORDING RETURN TO:

ASPELL, DELLA-ROSE & RICHARD
122 SOUTH FIFTH STREET
KLAMATH FALLS, OR 97601

Order No.: 20267

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 1:

Commencing at a point on the South line of Lot 4, Section 14, Township 41 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon, and which lies West a distance of 104.3 feet from the Southeast corner of said Lot 4, extending thence West along the South line of said Lot 4 a distance of 104.3 feet; thence North at right angles a distance of 208.6 feet; thence East and parallel to the said South line of said Lot 4, a distance of 104.3 feet; thence South a distance of 208.6 feet, more or less, to the point of beginning.

Tax Account No.: Portion of 4110-1400-1000

PARCEL 2:

The North half of the following described real property:

Commencing at a point on the South line of Lot 4, Section 14, Township 41 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon, which point is a distance of 208.6 feet West from the Southeast corner of said Lot 4; thence West along the South line of said Lot 4 a distance of 208.6 feet; thence North at right angles a distance of 208.6 feet; thence East and parallel to the said South line of said Lot 4 a distance of 208.6 feet; thence South a distance of 208.6 feet, more or less, to the point of beginning.

The above described property being in Section 14, Township 41 South, Range 10 East of the Willamette Meridian.

Tax Account No.: Portion of 4110-1400-1000

PARCEL 3:

The following described real property in Klamath County, Oregon:

The South half of the following described property:

A portion of Lot 4, Section 14, Township 41 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon, described as follows:

Beginning at a point on the South line of said Lot 4, Section 14, which lies West 208.6 feet from the Southeast corner of said Lot; thence West along the South line of said Lot 208.6 feet; thence North at right angles 208.6 feet; thence East and parallel to said South line of said Lot 4, 208.6 feet; thence South 208.6 feet, more or less, to the point of beginning.

Tax Account No.: 4110-1400-1100.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspell, Della-Rose & Richard the 4th day
of Aug. A.D., 19 89 at 11:39 o'clock AM., and duly recorded in Vol. M89
of Deeds on Page 14410

Evelyn Biehn
By Dorlene Mullendore County Clerk

FEE \$48.00