

TERMINATION AND NOVATION OF TRUST

WE, Jerry D. De Puy and Marygene E. Campbell, the date below written do hereby make this declaration and termination of trust as more fully set forth below:

1. Subject Matter: On or about the 4th day of May, 1990, Donald E. Colwell and Barbara B. Colwell, as grantors, decreed the Donald E. Colwell and Barbara B. Colwell Family Trust. That on or about the 31st day of July, 1990, we, Jerry D. Depuy and Marygene Campbell assumed our duties as trustees under the terms of this trust. That grantors, and each of them are deceased and the trust purposes have been fulfilled; a small estate of Donald E. Colwell having been administered and closed; that Oregon and Federal fiduciary income tax returns have been filed; that Federal and State Income Tax returns have been filed and no audit thereto having been requested; and all affirmative duties of the trustees having been met, the trustees now hereby elect to close the estate.

2. Distribution of Remaining Assets: The sole remaining assets of the trust include the following: a) cash; b) note and deed of trust in which Paul J. Arritola is the grantor, Mountain Title Company of Klamath County is the trustee, and the trust of Donald E. and Barbara B. Colwell are the beneficiaries; c) note and deed of trust in which Darlene F. Russell and Martin Hicks are the grantors, Aspen Title and Escrow is the trustee, and the trust of Donald E. and Barbara B. Colwell Family Trust is the beneficiary.

That so far as known to your trustees herein: 1) there are no claims of the settlors or the trust pending against any person; 2) that all assets of the trust so far as known to trustees have been disbursed by or through the trust or small estate preceding previously completed, except as reflected above; 3) to the best of co-trustees' knowledge and belief, there are no claims of any nature, either liquidated or contingent pending against the settlors or the trust and there are no outstanding liabilities or indebtednesses, due and owing any person for which Donald E. Colwell, Barbara B. Colwell, the trust or the trustees in their representative capacity may have liability.

3. Accounting: Attached hereto and incorporated by reference herein is an accounting, shown as Exhibit A, of funds and assets in the hands of the co-trustees, a statement of all debits and credits thereto and made subsequent to the date of the last accounting.

4. Retainage: Those sums (if any) shown in Exhibit B constitute a retainage of the trust and shall be held and distributed in accordance with the supplemental expenses of the trust as estimated on Exhibit B. The same shall be held, without interest in one or more trust accounts and final distribution shall be made not later than the 6th month from the date of this document to the distributees of the trust in the percentage which appears below.

5. Distribution: The co-trustees hereby distribute in cash or in kind 25% of the net distributable trust as follows to Josephine G. De Puy, Marygene ~~E~~ Campbell, Danie K. Arch, and Donna P. Higginbotham.

a. The payment of cash of the sum of \$_____ each.

b. By assignment of beneficiaries interest in the promissory notes, deeds of trust and collection escrows described herein:

1. An undivided 25% interest in that promissory note/Paul J. Arritola, principal unpaid balance \$ 118,811.22 plus interest from the 1st day of JANUARY, at 9 % per annum until paid.
1994

2. An undivided 25% interest in that promissory note/Russell and Hicks, principal unpaid balance \$ 24,913.22, plus interest from the 1st day of JANUARY, at 10 % per annum until paid.
1994

c. 25% of residual proceeds in trust after payment of expenses described in paragraph b.

WHEREFORE, the trustees of the Donald E. Colwell and Barbara B. Colwell Family Trust having disposed of the assets of the trust hereby declare the same to be terminated and final distribution to have been effected December 31, 1993.

DATED this 31 day of December, 1993.

Jerry D. Depuy
Jerry D. Depuy

Marygene Campbell
Marygene E. Campbell

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspell, Della-Rose & Richard the 8th day of Feb A.D., 19 94 at 3:50 o'clock P M., and duly recorded in Vol. M94, of Deeds on Page 4474.

FEE \$15.00

Evelyn Biehn County Clerk

By Dorene Mullendor