

1999 AUG 11 PM 3: 51
 WHEN RECORDED MAIL TO:

67
 J. Anthony Giacomini, P.C.
 706 Main Street
 Klamath Falls, OR 97601

MAIL TAX STATEMENTS TO:

Clarence and Barbara Hall
 Trustees of the Red & Barb Hall 1999 Trust
 7463 Tingley Lane
 Klamath Falls, OR 97601

Clarence H. Hall (CLARENCE) and Barbara Kay Hall (BARBARA) (called the Trustees, declares that they have set aside and hold in trust the real property described in this DECLARATION.

WITNESSETH

A. Property Constituting Trust Estate: The following described real property situate in Klamath County, Oregon, is hereby declared subject to this DECLARATION and is, from time to time, referred to as the TRUST ESTATE, to wit:

A parcel of land situate in Section 21, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows: Beginning at a point on the West line of said Section 21, said point being North 00 degrees 08' 31" East a distance of 604.42 feet from the Southwest corner of said Section 21, said point also being on the centerline of the county Road; thence North 88 degrees 13' 46" East 30.02 feet to 5/8 inch iron pin on the Easterly right of way line of said county road; thence continuing North 88 degrees 13' 46" East 321.44 feet to a 5/8 inch iron pin; thence North 01 degrees 42' 01" East 69.17 feet to a 5/8 inch iron pin; thence South 81 degrees 18' 29" East 329.64 feet to a 5/8 inch iron pin; thence continuing South 81 degrees 18' 29" East to the Southwesterly right of way line of the Klamath Irrigation District lateral; thence Northwesterly along the Southwesterly right of way line of said lateral to its intersection with the West line of said Section 21; thence South 00 degrees 08' 31" West along the West line of said Section 21 782.76 feet, more or less, to the point of beginning. EXCEPTING THEREFROM a tract of land situated in the SW 1/4 of Section 21, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, being the Northerly portion of that tract of land described in Deed Volume M81 at page 8636, Parcel 1, Klamath County Deed Records, more particularly described as follows: Beginning at a point on the West line of said Section 21 North 00 degrees 08' 31" East 1016.81 feet from the Southwest corner of said Section 21; thence South 85 degrees 50' 21" East 30.07 feet to a 5/8 inch iron pin with plastic cap; thence continuing South 85 degrees 50' 21" East 132.14 feet; thence North 83 degrees 24' 14" East 184.49 feet to the Southwesterly right of way line of the U.S.B.R. C-4-E Lateral; thence following said right of way line: North 43 degrees 05' 00" West 455.67 feet, along the arc of a curve to the left (Radius = 547.96 feet, central angle = 04 degrees 48' 34") 46.00 feet to the West line of said Section 21; thence South 00 degrees 08' 31" West 374.48 feet to the point of beginning, including that portion within Tingley Lane, with bearings based on Survey No. 1680, as record in the office of the Klamath County Surveyor.

The TRUST ESTATE shall be held, administered, and distributed according to this DECLARATION.

B. Waiver of Spousal Election: In consideration of the benefits provided for BARBARA in this DECLARATION, CLARENCE waives his right to an elective share of BARBARA'S estate.

Declaration of Trust
 Page 1 of 3

C. Distribution Of Income And Principal To Trustors: All income from the TRUST ESTATE shall be distributed and retained by each Trustor for so long as both shall live. Except as provided elsewhere in this DECLARATION, BARBARA shall receive all income from the TRUST ESTATE following CLARENCE'S death. If BARBARA should predecease CLARENCE, CLARENCE shall be entitled to ½ of the net proceeds from the sale of the TRUST ESTATE and the other ½ of the TRUST ESTATE shall be distributed to Shriners' Hospitals for Children in Portland, Oregon.

D. Trustors Occupancy: While both CLARENCE and BARBARA are living, each shall have the right to occupy, without paying rent, the above described real property subject to this DECLARATION. If CLARENCE predeceases BARBARA, BARBARA shall have full title to the above described real property. If BARBARA predeceases CLARENCE, CLARENCE shall the right to occupy, without paying rent, the above described real property for a reasonable period not exceeding two years to allow CLARENCE to sell the above described real property and allocate the net proceeds from such sale as follows: 50% to CLARENCE and 50% to Shriners' Hospitals for Children in Portland, Oregon.

E. Trustee: The following provisions apply to the office of Trustee:

1. Trustee Description: CLARENCE and BARBARA are designated as co-trustees. If either is unable or unwilling to serve in the office of trustee, the one of them able to serve in the office of trustee shall act as sole trustee. In the event neither CLARENCE nor BARBARA can act as Trustee, Patricia Ann Reynolds (PATRICIA) shall serve as Successor Trustee.

2. Trustee Resignation: Any trustee may resign at any time. The resigning trustee must give written notice of the resignation by personal delivery or registered mail to all income beneficiaries and, if appropriate, to the designated Successor Trustee. The resignation becomes effective on the acceptance of office by a designated Successor Trustee.

3. Trustee's Powers: Each Trustee shall have all powers conferred on the Trustee by law and all powers contained in the Oregon Uniform Trustees' Powers Act. Included in the foregoing sentence, without limiting the generality of the foregoing, is the power to sell, encumber, convey, exchange, invest, reinvest, partition, divide, improve, repair and maintain the Trust Estate, determine income and principal according to the Oregon Uniform Principal and Income Act. In addition, no Trustee shall be obligated to comply with the Prudent Investor Act.

4. Trustee's Bonds: No bond shall be required of any person named in this DECLARATION as trustee, or of any person appointed as the trustee in the manner specified in this DECLARATION, for the faithful performance of his or her duties as trustee.

F. Survivorship Provisions: Unless the trust DECLARATION specifically provides otherwise, if any person named or described in the trust fails to survive any event by 30 days, that person shall be considered to have predeceased as a result of that event.

G. Severability: If any provision of this DECLARATION is unenforceable, the remaining provisions shall remain in full effect.

H. Name of Trust: The trust created in this DECLARATION may be referred to as the RED & BARB

HALL 1999 REVOCABLE TRUST.

I. Waiver of Conflict of Interest: Each party to this Instrument understands the Law Offices of J. Anthony Giacomini, P.C., 706 Main Street, Klamath Falls, Oregon 97601, has assisted the parties in drafting this Instrument. Each party understands that, to the extent that a conflict of interest should otherwise arise in the performance of such services, each has acknowledged such conflict and each, with the opportunity to consult independent counsel, has consented to the preparation of this Instrument by attorneys.

SIGNED on the date set opposite the signatures of the parties signing the same.

DATE

SIGNATURE

August 10 1999

Clarence H. Hall
CLARENCE H. HALL, Trustor

August 10, 1999

Barbara Kay Hall
BARBARA KAY HALL, Trustor

August 10 1999

Clarence H. Hall
CLARENCE H. HALL, Trustee

August 10, 1999

Barbara Kay Hall
BARBARA KAY HALL, Trustee

STATE OF OREGON)

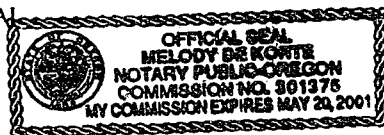
) ss

COUNTY OF KLAMATH)

On this 10th day of August, 1999, before me, the undersigned, a notary public in and for said State, personally appeared CLARENCE H. HALL and BARBARA KAY HALL personally known to me (or proved to me on the basis of satisfactory evidence) to be the TRUSTORS and TRUSTEES of the Trust created by the above Instrument, and to be the person whose name is subscribed to the Instrument; and acknowledges that he executed the same.

WITNESS my hand and official seal.

SEAL



Melody B. Korte
Notary Public

My Commission expires 5/20/01