

THIRD AMENDMENT TO AND COMPLETE RESTATEMENT
OF
THE FAWCETT LIVING TRUST

THIS DECLARATION OF TRUST is the Third Amendment to and Complete Restatement of THE FAWCETT LIVING TRUST originally entered into by Declaration of Trust dated December 5, 1991; amended by First Amendment thereto on December 20, 1991, and Second Amendment thereto on September 13, 1993; is made by FARRAH LENI FAWCETT pursuant to Paragraph 2.3 of said Trust; and is intended to supersede and replace said Declaration of Trust as well as any and all previous amendments thereto. This Trust is made by FARRAH LENI FAWCETT (hereinafter referred to as "Settlor"), who declares that she has transferred to herself as Trustee (hereinafter, together with any successor(s), collectively referred to as "Trustee") property more particularly described in Paragraph 1.1 below.

ARTICLE I
CREATION OF TRUST; TRUST ESTATE

1.1 TRANSFER CREATING TRUST

Settlor has transferred and delivered to Trustee the property described on Schedule A attached hereto, receipt of which is hereby acknowledged by Trustee, to have and to hold the same, as well as any additional property which Trustee may, pursuant to any of the provisions hereof, at any time hereafter hold or acquire. All of such property is hereinafter referred to collectively as the "Trust Estate." The Trust Estate shall be held and administered by Trustee for the uses and purposes and upon the terms and conditions set forth below.

1.2 ACCEPTANCE OF TRUST BY TRUSTEE

No consideration was or will be given by Trustee for the conveyance or transfer to it of any of the Trust Estate. Trustee accepts such title to the Trust Estate as is conveyed or transferred to it hereunder without liability or responsibility for the conditions or validity of such title, and the Trust Estate has been or will be conveyed or transferred to Trustee, in trust, for the uses and purposes and upon the trusts herein provided. Trustee agrees to hold the Trust Estate, and to perform the duties of Trustee, subject to the conditions herein stated.

ARTICLE II
FAMILY HISTORY AND CITIZENSHIP

2.1 FAMILY HISTORY

Settlor declares that she is not married. Settlor declares that she was previously married to LEE MAJORS which marriage ended in dissolution. Settlor has no children from such marriage. Settlor declares that she has one (1) adult child born out of wedlock, namely, REDMOND FAWCETT O'NEAL ("REDMOND"). Settlor has no other children, living or deceased. The terms "child of Settlor" and "Settlor's child" as used herein shall refer only to REDMOND.

2.2 CITIZENSHIP OF SETTLOR

Settlor declares that Settlor is a citizen of the United States.

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ARTICLE III

RIGHTS RESERVED AND GRANTED BY SETTLOR

3.1 SPECIFIC RESERVATION OF RIGHTS AND GRANT OF PRIVILEGES

Settlor specifically reserves and grants the rights and privileges set forth in this Article III.

3.2 RIGHT TO ADD PROPERTY TO TRUST ESTATE

(a) Settlor or any other person may, from time to time, with the consent of Trustee, by conveyance, assignment or any other inter vivos or testamentary transfer, add property of any kind to the Trust Estate or to any share thereof, which property shall thereupon be subject to all of the terms and provisions of this Trust the same as if such property had been part of the original Trust Estate included hereunder.

(b) Settlor or any other person may designate this Trust as the beneficiary of the proceeds of insurance policies and the benefits of any pension, profit sharing or other form of retirement benefit or deferred compensation plan.

3.3 RIGHT TO AMEND OR REVOKE TRUST

(a) While Settlor is competent, Settlor may, at any time and from time to time, by written notice (including, without limitation, a Will) signed by Settlor and delivered to Trustee during Settlor's lifetime, amend any provision hereof or revoke this Trust in whole or in part. Such written notice shall expressly refer to this Trust and exercise such power of amendment or revocation, as the case may be.

(b) Upon the death of Settlor, all Trusts created hereunder shall become irrevocable.

3.4 EFFECT OF REVOCATION BY SETTLOR

Any revocation by Settlor shall be effective upon filing of a written notice with Trustee. After the filing of said notice, if the death of Settlor should occur before a change of beneficiary of any insurance policy or retirement benefit plan becomes effective under such policy or plan, then any proceeds of such insurance policy or retirement plan thereafter received by Trustee may be paid by Trustee to the personal

representative of Settlor or to the designated beneficiary of such insurance policy or plan proceeds. The receipt by such personal representative or beneficiary shall constitute a full and complete satisfaction of Trustee's obligation with respect thereto.

3.5 RIGHT OF SETTLOR TO DIRECT TRUSTEE RE: INVESTMENTS, ETC.

Even if Settlor is not acting as Trustee, Settlor may nevertheless direct Trustee, in writing, to make specific investments or to retain any particular assets of the Trust Estate. Similarly, Settlor may also direct Trustee in writing with respect to the sale, encumbrance, lease, management, control or disposition of any particular property. Trustee shall not be liable for any loss sustained or incurred by reason of compliance with any written directions of Settlor.

3.6 EXERCISE OF POWERS RESERVED TO SETTLOR IF SETTLOR INCAPACITATED

(a) A power reserved to Settlor under this Article may not be exercised by Settlor if Settlor is incapacitated (as defined in this Trust) at the pertinent time, but may be exercised by the duly appointed conservator or guardian of Settlor's estate, pursuant to specific court authorization.

(b) Notwithstanding the provisions of subparagraph (a) above, while Settlor is incapacitated, Settlor's attorney-in-fact designated in a durable power of attorney duly executed pursuant to applicable law may exercise a power reserved to Settlor under this Trust, but only if the instrument creating the durable power of attorney expressly gives the attorney-in-fact such power. By way of example but not by way of limitation, if such durable power of attorney expressly gives the attorney-in-fact the power to revoke this Trust (or withdraw or remove assets from this Trust) for the purpose of making gifts expressly authorized in such instrument, then as soon as administratively practicable following receipt of the attorney-in-fact's written exercise of such power and a copy of such instrument, Trustee shall distribute to the attorney-in-fact the amount subject to such exercise. Trustee's duties with respect to the Trust assets used to fund such amount shall be discharged upon distribution to the attorney-in-fact, and Trustee shall have no responsibility to see to the application of the assets so distributed.

ARTICLE IV

TRUSTEE

4.1 DESIGNATION OF TRUSTEE

(a) The Initial Trustee of this Trust is Settlor, FARRAH LENI FAWCETT.

(b) If Settlor is unable or unwilling to continue to act as Trustee, then RICHARD B. FRANCIS shall act as Trustee.

(c) If RICHARD B. FRANCIS is unable or unwilling to act or to continue to act as Trustee hereunder, then RUSSELL FRANCIS shall act as Trustee.

(d) If RUSSELL FRANCIS is unable or unwilling to act or to continue to act as Trustee, then JOHN FRANCIS shall act as Trustee.

4.2 AUTHORITY OF CO-TRUSTEES

(a) Except as otherwise specifically provided in this instrument, if there are, at any time, individual and corporate Co-Trustees, the individual Trustee(s) shall have sole discretionary authority over the distributions of income and/or principal to the beneficiaries. The corporate Trustee shall be relieved of any liability and responsibility in connection with the individual Trustee's exercise of (or failure to exercise) such authority. All other decisions regarding the maintenance and administration of this Trust shall be the joint decision of both Trustees, or if there are more than two (2) Trustees then acting, such decisions shall be by majority decision of the Co-Trustees who are not precluded by law or by this Trust from making the decision and who have not declined to participate in the decision.

(b) Notwithstanding the joint decision requirements described in subparagraph (a) above, at any time that there are Co-Trustees of the Trust Estate, signature authority shall be as follows: Any one Trustee may sign documents or checks or do other ministerial acts that shall bind the Trust Estate as if each of them, acting as a Co-Trustee, had signed or so acted. Any instrument so executed or action so taken by Trustee or by a Co-Trustee authorized in this subparagraph shall fully bind the Trust, the other Co-Trustee(s) and the beneficiaries hereof as if such instrument were

executed or such action were taken by all Trustees acting together. Any third party may fully rely on the signature or actions of only one Co-Trustee with respect to such transactions and shall not be held liable therefor.

4.3 RIGHT TO APPOINT SUCCESSOR TRUSTEE

(a) So long as Settlor is living and competent, Settlor may remove an existing Trustee or Co-Trustee and/or appoint a successor Trustee or Co-Trustee, whether individual or corporate, as Settlor sees fit.

(b) Following the death or incapacity of Settlor, should there be individual and corporate Co-Trustees in office with respect to any share created hereunder, such individual Trustee (or individual Co-Trustees acting by majority vote) shall have the full power and authority, at any time or times, to remove any corporate Co-Trustee named hereunder or appointed hereafter, with or without cause, and to appoint as successor Co-Trustee of such share any individual or individuals or any state or national banking association or trust company authorized to engage in trust business in the United States, or any combination thereof.

(c) Following the death or incapacity of Settlor, if there is no individual acting as Trustee of any share created hereunder, then a majority of all of the adult beneficiaries and the guardians, conservators or custodians of the estates of any minor or incompetent beneficiaries who may then be receiving or eligible to receive income of such share shall have the full power and authority, at any time or times, to remove any corporate Trustee of such share, with or without cause, and to appoint as successor Trustee of such share any individual or individuals or any state or national banking association or trust company authorized to engage in trust business in the United States, or any combination thereof.

(d) If at any time there shall be a vacancy in the office of Trustee of any share created hereunder, then a majority of all the adult beneficiaries and the guardians, conservators or custodians of the estates of any minor or incapacitated beneficiaries who may then be receiving or eligible to receive income of such share shall have the full power and authority to appoint a successor Trustee of such share. Such beneficiaries shall have the power to appoint as successor Trustee any individual

or individuals or any state or national banking association or trust company authorized to engage in trust business in the United States, or any combination thereof.

(e) Any designation of a Trustee or Co-Trustee made pursuant to this Paragraph 4.3 may be made currently or prospectively, may grant the designee general or limited powers and duties, and shall be made by a written instrument delivered to the appointee or appointees. A counterpart copy thereof shall be filed with the books and records of the Trust. Unless otherwise specified in the instrument of designation, each Trustee so appointed shall have all of the general powers of a Trustee. Any designation shall be revocable by the person(s) who made the designation at any time prior to the time the appointee or appointees take office thereunder.

(f) An existing Trustee or Co-Trustee shall be removed by the exercising party by delivering to the Trustee hereunder a written notice of such removal, a written appointment of the successor Trustee or Co-Trustee and its acceptance thereof in writing. Upon delivery of such instruments to the Trustee hereunder, it shall, after deducting all charges and amounts due it as such Trustee and upon receipt of such reasonable indemnity as it may require, transfer and deliver the Trust Estate to the successor Trustee or Co-Trustee. Thereafter, the removed Trustee shall have no further powers, discretions, rights, obligations or duties with reference to the Trust Estate; and all such powers, discretions, rights, obligations or duties with reference to the Trust Estate formerly exercised by the removed Trustee shall inure to and be binding upon the successor Trustee.

4.4 APPOINTMENT OF SPECIAL TRUSTEE

As used in this instrument, the term "Special Trustee" refers to an individual Trustee who is appointed for a limited purpose expressly authorized in this instrument. If at any time Trustee, in Trustee's discretion, determines that it is necessary to appoint a Special Trustee in order to carry out the purposes of this Trust, Trustee shall appoint as Special Trustee an individual who is not "related or subordinate" to Trustee or any beneficiary hereunder, as that term is defined and construed in accordance with applicable provisions of IRC Section 672, its regulations and relevant case precedent. Such appointment shall be made by written instrument

delivered to the appointee, and may be made for an indefinite period of time or for a reasonable, limited period of time necessary for the Special Trustee to carry out his or her duties with respect to the purpose for which he or she was appointed. The Special Trustee shall exercise the Special Trustee's powers by written instrument delivered to Trustee. Trustee shall abide by the written direction of the Special Trustee and shall have no liability to any person interested in this Trust for doing so. No bond shall be required of any Special Trustee. A Special Trustee may resign at any time in the manner provided herein applicable to a Trustee. A Special Trustee shall have no liability for the acts or omissions of any Trustee or of any other Special Trustee. Trustee shall be relieved of any liability and responsibility in connection with the Special Trustee's exercise of (or failure to exercise) the authority granted to the Special Trustee hereunder.

4.5 RESIGNATION OF TRUSTEE

(a) A Trustee or any successor may resign at any time by giving written notice thirty (30) days before such resignation shall take effect (or such shorter period as may be mutually agreed upon) to Settlor or, after the death of Settlor, to all of the beneficiaries hereof then receiving or eligible to receive income from any share or trust hereunder as to which such Trustee is acting. Any such beneficiary who is a minor shall be represented in this respect by the said minor's parents or the guardian of said minor's estate.

(b) Any resigning Trustee shall transfer to such Trustee's successor the entire Trust Estate as then constituted, and shall thereupon cease to act as such Trustee. Said resigning or removed Trustee shall render an accounting within sixty (60) days of said Trustee's resignation or removal. The successor Trustee shall succeed to all the rights, power, discretions and trusts, and shall assume all the obligations, of the resigning Trustee.

4.6 LIMITATION OF LIABILITY OF SUCCESSOR TRUSTEE

No successor Trustee shall be liable for any act, omission or default of a predecessor Trustee. Unless requested in writing by an adult beneficiary of any trust created hereunder within one hundred eighty (180) days of such beneficiary's receipt of

the predecessor's accounting, no successor Trustee shall have any duty to investigate or to review any action of a predecessor Trustee, and a successor Trustee may accept any accounting rendered by the predecessor Trustee showing assets on hand without further investigation and without incurring any liability to any person claiming or having an interest in any such trust.

4.7 BOND REQUIREMENT

No bond shall be required of any Trustee, whether individual or corporate, of any share created hereunder unless specifically requested in writing by a majority of all of the adult beneficiaries and the guardians, conservators or custodians of the estates of any minor or incompetent beneficiaries who may then be receiving or eligible to receive income of such share. Upon such request, a bond shall be obtained by Trustee, and all expenses thereof shall be paid from the Trust Estate.

4.8 PAYMENT OF COMPENSATION AND EXPENSES FROM INCOME OR PRINCIPAL

(a) Trustee shall pay from income or principal of the Trust Estate or partly from each, in its discretion, all expenses incurred in the administration of this Trust and the protection of this Trust against legal attack, including counsel fees and reasonable compensation (as described below) for its own services as such Trustee, which compensation and expenses shall constitute a first lien on the Trust Estate.

(b) Any institutional Trustee shall be entitled to reasonable compensation for ordinary services hereunder, for any extraordinary services performed and for all services rendered in connection with the termination or revocation of this Trust in whole or in part, all in an amount and at the time specified in its schedule of fees and charges, established from time to time, for the administration of accounts similar to this one in effect when such compensation is payable.

(c) Any individual Trustee (other than Settlor) shall be entitled to reasonable compensation in accordance with the compensation payable to individual Trustees in the city in which such Trustee resides.

(d) No Special Trustee shall be entitled to compensation except as provided in the instrument appointing such Special Trustee or subsequently agreed to by Trustee.

(e) In the event of Co-Trustees, all such fees shall be allocated between or among the Co-Trustees in accordance with the extent of services provided to the Trust by each Co-Trustee.

(f) All Trustees and Special Trustees shall be entitled to reimbursement for expenses reasonably incurred in the administration of this Trust.

4.9 TRUSTEE EXONERATION

Notwithstanding any provision of this Trust that could be construed to the contrary, Settlor does not want Trustee to be personally liable for Trustee's good faith efforts in administering the Trust Estate. In this regard, the following shall apply.

(a) A Trustee shall not be personally liable to the Trust or its beneficiaries, and shall be held harmless from and indemnified (as an expense of administration of the Trust) against any loss, expense, damage or claim incurred by Trustee by reason of any act performed or omitted to be performed by Trustee, acting in good faith, in the administration of the Trust. Trustee shall be deemed to have acted in good faith on behalf of the Trust if Trustee acted in a manner reasonably believed by Trustee to be within the scope of Trustee's authority and in the best interests of the Trust and its beneficiaries. If the particular Trustee has a personal interest in an asset in which the Trust also has an interest and/or in a transaction in which the Trust is involved, the fact of such personal interest shall be disregarded for purposes of construing this paragraph.

(b) Trustee shall be afforded the protection of California Probate Code Section 16462 (or any successor provision of like effect). In general, that statute provides that a trustee of a revocable trust is not liable when following the instructions of a person having the power to revoke, including a person to whom the power to direct the trustee is delegated.

(c) A Trustee's liability to the beneficiaries for the acts or omissions of a Co-Trustee shall be limited to those situations in which liability is mandated under California Probate Code Section 16402(b).

(d) Trustee may carry public liability and/or errors and omissions insurance and may charge the premiums to Trust income or principal, or both, as a cost of administration.

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ARTICLE V

DISTRIBUTIONS TO SETTLOR DURING SETTLOR'S LIFETIME

5.1 INCOME AND PRINCIPAL TO SETTLOR DURING LIFETIME

During the lifetime of Settlor, the net income of the Trust shall be distributed to or for the use and benefit of Settlor, not less frequently than annually. Settlor shall have the right to withdraw principal of the Trust at any time.

5.2 DISCRETIONARY DISTRIBUTION OF INCOME OR PRINCIPAL TO INCAPACITATED SETTLOR

If at any time Settlor has become incapacitated (as defined in this Trust), Trustee shall pay to or apply for the benefit of Settlor such amounts of the net income and principal of the Trust Estate as Trustee, in Trustee's discretion, deems necessary for the proper health, support and maintenance of Settlor in accordance with her accustomed manner of living immediately prior to her incapacity. Trustee shall make such payments until Settlor is again able to manage her own affairs (as determined either in Trustee's discretion or as defined in this Trust), or until the death of Settlor. Any net income in excess of the amounts applied for the benefit of Settlor shall be accumulated and added to principal of the Trust Estate at the end of each taxable year of the Trust. If a conservator of the person or the estate is appointed for Settlor, Trustee shall take into account any payments made for Settlor's benefit by such conservator. In exercising its discretion hereunder, Trustee shall be guided by the following:

(a) Settlor declares that she wishes to remain at home for as long as possible during any period of illness or incapacity, and to die at home. Accordingly, Trustee is specifically authorized to distribute income and principal of the Trust Estate to or for the benefit of Settlor to enable Settlor to remain in her principal residence for so long as practical.

(b) Trustee shall use income and, if income shall be insufficient, then principal, to make provisions for the highest quality of care for Settlor because of any illness, infirmity or other physical or mental disability or other health-related circumstance.

ARTICLE VI

DISTRIBUTION OF INCOME AND PRINCIPAL UPON DEATH OF SETTLOR

6.1 SCOPE OF ARTICLE

This Article shall govern the disposition of the Trust Estate (including any undistributed income thereon and additions thereto by way of "pour over" from the Will of Settlor, from life insurance proceeds or from any other source) upon the death of Settlor.

6.2 DISPOSITION OF HOUSEHOLD ARTICLES AND PERSONAL EFFECTS

(a) If any household articles and personal effects are held in Trust hereunder at the time of Settlor's death, then upon the death of Settlor, such items shall be promptly distributed by Trustee to such person or persons, as to the item or items or proportions specified, as Settlor may at any time or times appoint by written instrument signed and dated by Settlor and delivered to the then Trustee hereunder prior to Settlor's death. No death taxes shall be charged to or paid from any gift made in any such instrument unless otherwise specified by Settlor therein. If any individual designated to receive a gift in any such written instrument fails to survive Settlor, then, except as otherwise expressly provided therein, the gift to the deceased individual shall lapse. If there is more than one such instrument, the one bearing the date nearest preceding Settlor's death shall govern to the extent it conflicts with any earlier such instrument. If Trustee fails to locate such an instrument within sixty (60) days following Settlor's death, it shall be conclusively presumed that Settlor left no such instrument. To the extent that any such items are not so disposed of, such items shall be disposed of as provided in Paragraph 6.2(b) below.

(b) Subject to any contrary disposition by Settlor pursuant to Paragraph 6.2(a) above, upon the death of Settlor, all of Settlor's artwork and any objects of art shall be distributed, outright and free of trust, to the University of Texas at Austin, Austin, Texas, for its general charitable purposes. All other household articles and personal effects of Settlor, including, but not limited to, jewelry, household furniture and furnishings and vehicles, shall be distributed, outright and free of trust and free of

death taxes to Settlor's nephew, GREGORY WALLS, if then living and, if GREGORY WALLS is not then living, to Settlor's son, REDMOND FAWCETT O'NEAL ("REDMOND"). If REDMOND is not then living, this gift shall lapse and such items shall be disposed of as a part of the residue of the Trust Estate as provided below.

(c) The reasonable costs of protecting, appraising, packing, storing, shipping, cleaning, delivering and insuring the household articles and personal effects of Settlor prior to distribution to the beneficiaries following Settlor's death shall be charged to and paid from the Trust Estate as an expense of administration.

(d) Notwithstanding any provision of this instrument to the contrary, Settlor authorizes Trustee to sell or delay the distribution of any item of household and personal effects that Trustee, in Trustee's absolute discretion, deems inadvisable to distribute to any beneficiary following Settlor's death due to the inherently dangerous nature of the item or the immaturity or criminal past of the beneficiary. By way of example but not by way of limitation, Trustee may elect to sell or delay the distribution of any and all weapons owned by Settlor at the time of Settlor's death. If Trustee elects to sell any such item, the sales proceeds shall be added to any trust created hereunder for such beneficiary, to be administered and distributed as a part thereof, or if none, may be distributed outright to such beneficiary if he or she has attained the age of twenty-five (25) years or, if such beneficiary is under the age of twenty-five (25) years, may be distributed in any manner permitted under Paragraph 8.7 below. Trustee is authorized to donate to charity or to abandon any such items not wanted by the beneficiaries, with the provision that only such items having minimal value shall be abandoned.

6.3 SPECIFIC BEQUESTS UPON DEATH OF SETTLOR

(a) As soon as administratively practicable following the death of Settlor, Trustee shall distribute the following gifts free of all death taxes and expenses of administration:

(1) One Hundred Thousand Dollars (\$100,000) shall be distributed to GREGORY LAWRENCE LOTT of 3707 24th Street, Lubbock, Texas 79410, outright and free of trust, if then living and, if not then living, this gift shall lapse and be distributed with the residue of the Trust as provided below in Paragraph 6.4.

(2) Five Hundred Thousand Dollars (\$500,000) shall be distributed to Settlor's nephew, GREGORY WALLS, of 1609 Turnpike, Houston, Texas 77008, outright and free of trust, if then living and, if not then living, this gift shall lapse and be distributed with the residue of the Trust as provided below in Paragraph 6.4.

(3) Four Million Five Hundred Thousand Dollars (\$4,500,000) shall be allocated to a trust for the benefit of Settlor's son, REDMOND FAWCETT O'NEAL ("REDMOND"), to be held, administered and distributed as provided in Paragraph 7.2 below. If REDMOND fails to survive Settlor, this gift shall lapse and be distributed with the residue of the Trust as provided below in Paragraph 6.4.

(4) Five Hundred Thousand Dollars (\$500,000) shall be allocated to a trust for the benefit of Settlor's father JAMES FAWCETT ("JAMES") to be held, administered and distributed as provided in Paragraph 7.3 below. If JAMES fails to survive Settlor, this gift shall lapse and be distributed with the residue of the Trust as provided below in Paragraph 6.4.

(5) Any and all loans of which the Trust or Settlor, individually, is the payee and the payor is MARGE SCHICKTANZ JONES are forgiven.

6.4 DISTRIBUTION OF RESIDUE

Upon the death of Settlor and after making the gifts provided for in Paragraph 6.3 above, Trustee shall distribute the rest and residue of the Trust Estate (including all failed and lapsed gifts) outright to THE FARRAH FAWCETT FOUNDATION, a California nonprofit public benefit corporation ("THE FARRAH FAWCETT FOUNDATION").

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ARTICLE VII

TRUSTS FOR BENEFICIARIES AFTER SETTLOR'S DEATH

7.1 SCOPE OF ARTICLE

This Article describes the manner in which principal and income shall be distributed to beneficiaries after the death of Settlor.

7.2 TRUST FOR REDMOND

The share of the Trust Estate which is required to be held for the benefit of REDMOND shall be held as a separate trust and administered and distributed as follows:

(a) Trustee shall pay to or apply for the benefit of REDMOND the entire net income of REDMOND's share of the Trust Estate in monthly or other convenient installments, but not less frequently than quarterly, during REDMOND's lifetime. If Trustee deems the net income to be insufficient, Trustee may also pay to or apply for the benefit of REDMOND as much of the principal of REDMOND's share of the Trust Estate as Trustee, in Trustee's absolute discretion, deems necessary or advisable for REDMOND's health.

(b) Upon REDMOND's death, the undistributed balance of his share of the Trust Estate shall be distributed to THE FARRAH FAWCETT FOUNDATION. Settlor understands that no federal estate tax charitable deduction under IRC Section 2055(a) shall be available for this gift to THE FARRAH FAWCETT FOUNDATION.

7.3 TRUST FOR JAMES

The share of the Trust Estate which is required to be held for the benefit of JAMES shall be held as a separate trust and administered and distributed as follows:

(a) Trustee shall pay to or apply for the benefit of JAMES as much of the net income and principal of JAMES' share of the Trust Estate as Trustee, in Trustee's reasonable exercise of discretion, deems necessary or advisable for JAMES' health, maintenance and comfortable support, considering any other resources known by Trustee to be available to him for such purposes. Any net income not so distributed

shall be accumulated and added to the principal of JAMES' share of the Trust Estate at the end of the calendar year.

(b) Upon JAMES' death, the undistributed balance of his share of the Trust Estate shall be distributed to the then acting trustee of the Trust for REDMOND and added to, held, administered and distributed as a part of the trust share provided for in Paragraph 7.2 above, for the benefit of REDMOND.

7.4 DISCRETION OF CERTAIN TRUSTEES

(a) Notwithstanding any other provision of this Declaration of Trust, if and for so long as any beneficiary of a share held pursuant to this Article is acting as the Trustee or a Co-Trustee thereof, such beneficiary shall take no part in any decision regarding whether to distribute income and principal of such share to himself or herself. Instead, all such decisions shall be made by the other Trustee(s) then in office or, if there shall be none, by a Special Trustee appointed for such purpose as permitted under Article IV above.

(b) Notwithstanding any other provision of this Declaration of Trust, if and for so long as any Trustee of a share held pursuant to this Article has a legal obligation to support any beneficiary thereof, such Trustee shall take no part in any decision regarding whether to distribute income and principal of such share to or for the benefit of such beneficiary for his or her support (including any decision regarding distributions for educational costs that are part of the support obligation). Instead, all such decisions shall be made by the other Trustee(s) then in office or, if there shall be none, by a Special Trustee appointed for such purpose as permitted under Article IV above.

(c) Trustee shall be held harmless, defended and indemnified for any costs, expenses, actions, liabilities and/or judgments that may arise in connection with the exercise of Trustee's discretion (to make or not make distributions of income and/or principal) under this Article VII. All such costs and expenses shall be paid first out of beneficiary's share of the Trust Estate if beneficiary disputes Trustee's exercise of discretion. Any expense which exceeds the disputing beneficiary's share shall be paid

from the balance of the Trust Estate and allocated proportionately to the other beneficiaries.

7.5 UNDISTRIBUTED PORTION OF TRUST AND TERMINATION

If, under the foregoing provisions of this Declaration of Trust, a portion of the Trust Estate shall not be disposed of, such portion shall be distributed to THE FARRAH FAWCETT FOUNDATION, if in existence and, if not then in existence, to one or more Qualified Charitable Organizations with charitable purposes similar to those of THE FARRAH FAWCETT FOUNDATION, to be selected by the Trustee.

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ARTICLE VIII
POWERS AND DISCRETIONS OF TRUSTEE

8.1 GRANT OF POWERS AND DISCRETIONS

In addition to all other powers and discretions granted to or vested in Trustee by law or by this instrument, Trustee has the powers and discretions set forth below.

8.2 POWER TO MERGE

Subject to the provisions of Paragraph 8.10 below, Trustee shall have the power to merge the assets of any Trust allocated to a beneficiary hereunder with any other trust established by Settlor for the benefit of said beneficiary if the dispositive provisions of said trusts are substantially similar; provided, however, that if the maximum duration of the two (2) trusts (under the trust instruments or the applicable rule against perpetuities) is different, then the shorter period shall apply to both trusts.

8.3 GENERAL POWERS

(a) Trustee shall have all such power and is authorized to do all such acts, take all such proceedings and exercise all such rights and privileges in the management of the Trust as if it were the sole and absolute owner thereof, but only in a fiduciary capacity and subject always to discharge of Trustee's fiduciary obligations.

(b) Trustee shall invest and manage the Trust Estate in accordance with the provisions of the Uniform Prudent Investor Act as set forth in the California Probate Code, as from time to time amended, subject, however, to the following:

(1) During such time as a Trust established herein is revocable by Settlor, Trustee shall invest and manage that Trust in the manner directed by Settlor, verbally or in writing;

(2) In implementing the duty-to-diversify-investments provision of the Uniform Prudent Investor Act, Trustee may give particular weight and consideration to the retention and preservation of those assets that are of special relationship or value to the purposes of the Trust or to one or more of the beneficiaries (including, without limitation, family heirlooms, family business interests, and properties occupied by one or more beneficiaries); and

(3) Trustee's power to invest in any kind of property or type of investment under the Uniform Prudent Investor Act also shall include the power to invest in any common trust funds managed by Trustee.

8.4 SPECIFIC POWERS

Trustee's general powers shall include, without limiting the generality thereof, the power to do each of the following:

(a) **Acquire, Sell and Exchange**

To purchase, grant, sell, convey, exchange or convert any real or personal property, wherever located, including within or outside the United States; and

to comply with the terms of any shareholders' agreement or buy-sell agreement covering assets owned by the Trust or Settlor, which was entered into prior to Settlor's death;

(b) **Acquire, Own and Operate Business**

To retain and operate an interest in any family business of Settlor or beneficiaries of the Trust, whether corporate, partnership, limited liability company or proprietorship, notwithstanding that such interest may be disproportionate to other assets, or unproductive or underproductive; to form or cause to be formed such corporation, partnership, limited liability company or other business organization as Trustee, in its discretion, may deem advisable;

(c) **Establish Qualified Subchapter S Trusts or Electing Small Business Trusts**

If any subtrust established under this Declaration of Trust is to hold shares of a subchapter S corporation, to segregate those shares into a separate subtrust and to modify the terms of that separate subtrust to the extent required to enable such subtrust to qualify as an eligible shareholder of a subchapter S corporation as described in Section 1361(c)(2)(A)(i), 1361(c)(2)(A)(v) or 1361(d)(3) of the Code, as the case may be;

(d) **Lease**

To lease for terms either within or beyond the duration of this Trust;

(e) **Mineral Rights**

To enter into oil, gas and other mineral leases on such terms as it may deem proper;

(f) **Subdivide and Improve**

To assign, partition, divide, subdivide and improve any properties;

(g) **Loan and Invest**

To loan, reloan, invest and reinvest the Trust Estate or any part thereof;

(h) **Vote Stock**

To vote stock, give proxies, pay calls for assessments, sell or exercise stock subscription or conversion rights;

(i) **Reorganizations**

To participate in foreclosures, reorganizations, consolidations, mergers, liquidations, pooling agreements and voting trusts, assent to corporate sales and other acts and, in connection therewith, to deposit securities with and transfer title to any protective or other committee under such terms as Trustee may deem advisable;

(j) **Nominee**

To hold securities or other property in its own name or in the name of its nominee without disclosing any fiduciary relation;

(k) Insurance

To procure and carry at the expense of the Trust Estate insurance of such kind and in such form and amount as Trustee deems advisable to protect Trustee and the Trust Estate against any hazard;

(l) Borrow Money: Margin Accounts

To borrow money for any Trust purpose, hypothecate and encumber the Trust Estate or any part thereof, and replace, renew and extend any encumbrance thereon upon such terms, conditions and security as may be determined by Trustee; to pay loans or other obligations of the Trust Estate as Trustee, in its sole and absolute discretion, deems advisable; in addition, to buy, sell and trade in securities of any nature, including short sales, on margin account up to the limit allowed by law and for such purposes to maintain and operate margin accounts with brokers and to pledge any securities held or purchased by it with such brokers as security for loans and issuances made to Trustee. As used in this instrument, the term "Trust purpose" shall include the power to encumber Trust assets for the purpose of securing loans made payable to or for the benefit of Settlor and extended during Settlor's lifetime;

(m) Guarantee Loans

To guarantee loans made by third parties to Settlor, or to any corporation, partnership or limited liability company in which the Trust and/or Settlor has a direct or indirect interest; and to directly or indirectly pledge or hypothecate Trust assets as collateral for any such loans;

(n) Commence or Defend Litigation

To commence or defend at the expense of any trust provided for in this Declaration such litigation with respect to any such trust or any property of the Trust Estate as it may deem advisable;

(o) Compromise Claims

To compromise, submit to arbitration, release with or without consideration and otherwise adjust any claims in favor of or against any trust provided for in this Declaration;

(p) Designate Attorneys-In-Fact

To designate an attorney or attorneys-in-fact with all of the powers described herein, unless limited by the instrument designating such attorney or attorneys-in-fact;

(q) Buy and Sell Listed Options

To buy and sell listed options on any nationally recognized exchange, covered or uncovered;

(r) Indemnification

To execute and deliver all indemnifications of any kind or nature, to perform all indemnification obligations of any kind or nature, and to execute and deliver

any and all agreements, documents and instruments and to perform any and all acts and deeds in connection with the foregoing;

(e) Safe Deposit Box

To establish one or more safe deposit boxes on behalf of the Trust, to deposit personal property therein and to withdraw property therefrom; to enter any safe deposit box established by Settlor, to deposit personal property therein and to withdraw any property therefrom (whether such property was originally deposited by Settlor or by Trustee); and to appoint one or more agents or deputies to have unilateral access to the safe deposit box and its contents; and

(t) Other Powers

Subject to any limitations expressly set forth in this Declaration and the faithful performance of its fiduciary obligations, to do all such acts, take all such proceedings and exercise all such rights and privileges as could be done, taken or exercised by an absolute owner of the Trust property.

8.5 RETENTION OF ASSETS

Trustee is expressly authorized to hold and retain any securities, properties or other investments, and to continue to hold, manage and operate any property, business or enterprise received or acquired at any time hereunder as long as in its discretion it elects to do so, the profits or losses therefrom, if any, to inure to or be chargeable against the Trust Estate and not Trustee. Such retention of assets shall also include the right to purchase or retain unproductive or underproductive property, provided, however, that unproductive or underproductive property shall not be retained as an asset of any trust established for Settlor's benefit during Settlor's lifetime without Settlor's consent.

8.6 ALLOCATION OF PRINCIPAL AND INCOME

Except as otherwise specifically provided in this instrument, 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 Uniform Principal and Income Act from time to time existing. Any such matter not provided for either in this Trust or in the California Uniform Principal and Income Act shall be determined by Trustee, in Trustee's discretion. Trustee's powers shall be subject to Trustee's duty to treat income beneficiaries and remaindermen equitably.

8.7 FACILITY OF PAYMENT

If at any time or from time to time any beneficiary entitled to receive income or principal hereunder shall be under the age of twenty-five (25) years (hereinafter sometimes referred to as a "younger beneficiary") or incapacitated, Trustee may make such payments, in its discretion, in any one of the following ways:

- (a) Directly to such beneficiary;
- (b) To the natural guardian or the legally appointed guardian, conservator or other fiduciary of the person or the estate of such beneficiary;

(c) To any person or organization providing for the health, support, maintenance or education of such beneficiary;

(d) To an individual designated by Trustee as custodian for a younger beneficiary under the California Uniform Transfers to Minors Act (or similar statute of any other state) to age twenty-five (25) years (or the lower maximum age permitted by the governing statute); or

(e) By itself making expenditures directly for the health, support, maintenance or education of such beneficiary.

Trustee shall not be required to see to the application of any funds so paid or applied, and the receipt by such payee shall constitute a full release of Trustee. The decision of Trustee as to direct payments or application of funds shall be conclusive and binding upon all parties in interest.

8.8 PAYMENT OF TAXES, EXPENSES AND DEBTS

(a) Payment of Expenses and Debts

Upon the death of Settlor, Trustee shall pay from the Trust Estate, to the extent Trustee determines such amounts have not been otherwise paid or provided for, from the Trust as a whole and without apportionment, deduction or adjustment among the beneficiaries of the Trust, the following:

- (1) Last illness and funeral expenses of Settlor;
- (2) Bona fide debts then due of Settlor (chargeable against the Trust in accordance with California law in effect at the date of Settlor's death); and
- (3) Expenses of administration incurred in administering Settlor's probate estate.

(b) Payment of Death Taxes

Upon the death of Settlor, Trustee shall pay, or reserve sufficient funds to pay, any federal estate taxes and state death or inheritance taxes, together with any interest and penalties relating thereto (hereinafter collectively referred to as "death taxes"), attributable to assets included in Settlor's gross estate, to the extent Trustee determines such amounts have not been otherwise paid or provided for, as provided in Paragraph 8.8(c) below.

(c) Allocation of Taxes by Proration

Except as otherwise provided in this Trust, all death taxes imposed by reason of Settlor's death may be paid by Trustee, and, to the extent so paid, shall be charged to, prorated among, or recovered from the persons interested in Settlor's estate, as provided in Division 10 of the California Probate Code and applicable provisions of the Internal Revenue Code. In keeping with Division 10 of the California Probate Code, no portion of such death taxes shall be charged against (i) the share of any Qualified Charitable Organization or (ii) any interest qualifying for the marital deduction under IRC Section 2056. Notwithstanding the foregoing, to the extent that what otherwise would have been a single trust or share instead is established as two (2) trusts or shares, exempt and nonexempt, for generation-skipping transfer tax purposes,

death taxes attributable to what would have been the single trust or share shall be charged against and paid from the nonexempt trust or share until it is exhausted before any such taxes are charged to and paid from the exempt trust or share.

(d) Payment and Application

Trustee may make any payments provided for in this Article directly or to a personal representative or other fiduciary and Trustee may rely upon a written statement of the fiduciary as to the amount and propriety of the taxes, interest, penalties and other costs, and shall be under no duty to see to the application of any funds so paid. Trustee shall have no liability for any action taken or omitted to be taken by such personal representative or other fiduciary in protesting or failing to protest the legality, propriety or amount of such taxes, interest, penalties and other costs.

8.9 PAYMENT OF GENERATION-SKIPPING TRANSFER TAXES

(a) Generation-Skipping Transfer Taxes - Direct Skips

Except as otherwise specifically provided, all generation-skipping transfer taxes attributable to a direct skip occasioned by Settlor's death with respect to which Settlor is the transferor shall be paid by Trustee out of and charged against the transferred property as provided in IRC Sections 2603(a)(2), 2603(a)(3) and 2603(b).

(b) Generation-Skipping Transfer Taxes - Taxable Distributions and Taxable Terminations

All generation-skipping transfer taxes attributable to a taxable distribution occurring with respect to any trust established hereunder shall be paid by the transferee thereof and charged against the transferred property as provided in IRC Sections 2603(a)(1) and 2603(b), and all generation-skipping transfer taxes attributable to a taxable termination occurring with respect to any trust established hereunder shall be paid by Trustee and charged against the transferred property as provided in IRC Sections 2603(a)(2) and 2603(b).

8.10 GENERATION-SKIPPING PROVISIONS

(a) Definitions

The expression "generation-skipping" as used herein relates or refers to the federal generation-skipping transfer tax in Chapter 13 of the IRC and is used hereafter in terminology associated with various provisions of that tax; for example, "generation-skipping exemption" refers to the exemption from that tax provided in IRC Section 2631(a). In this Article, and in the generation-skipping context throughout this Trust:

(1) The term "exempt" refers to (or "Exempt" may be added to the title of) a trust or property that has a generation-skipping inclusion ratio of zero; and the adjective "nonexempt" (or the additional titling "Nonexempt") indicates a trust or property that has a generation-skipping inclusion ratio of one;

(2) References to "trusts" refer also to arrangements that are treated as trusts for generation-skipping purposes and to separate shares of a trust, when appropriate to the context, if the shares are, as "substantially separate and

independent shares of different beneficiaries" or otherwise, entitled to be treated as separate trusts for generation-skipping purposes; and

(3) The term "Trustee" refers to the person or persons authorized by IRC provisions or Treasury regulations to allocate the exemption under IRC Section 2631(a).

(4) The term "Unused GST Exemption" shall mean the amount of Settlor's GST Exemption (or any other beneficiary's GST Exemption, as the context requires) that has not been otherwise allocated.

(b) Exemption Allocation

Except as otherwise expressly provided herein, in allocating Settlor's Unused GST Exemption, Trustee may include in or exclude from that allocation any property of which Settlor is the transferor for generation-skipping purposes, including property transferred prior to Settlor's death. These decisions may be based on transfers, gift tax returns, and other information known to Trustee, with a requirement of good faith but no requirement that allocations benefit various transferees or beneficiaries of such property equally, proportionately, or in any other particular manner.

No person acting as Trustee, however, shall make or participate in any generation-skipping election or allocation decision if the power to do so would result in his or her having a general power of appointment (for federal estate and gift tax purposes) over property with respect to which he or she would (or might) not otherwise have such a general power; should this prohibition leave no person able to make such an election or allocation, then a Special Trustee shall be appointed to make such election or allocation, as permitted by Article IV above.

(c) Dividing and Funding Exempt and Nonexempt Trusts

(1) Separate Trusts: 0 or 1 Inclusion Ratios

If some or all of Settlor's generation-skipping exemption is to be allocated to any trust that is otherwise to be established under this Declaration of Trust, unless the trust in question will thereby have a generation-skipping inclusion ratio of zero, that trust shall be divided and two (2) separate trusts shall instead be established so that one will have a generation-skipping inclusion ratio of zero (an "exempt" trust) and the other will have a generation-skipping inclusion ratio of one (a "nonexempt" trust). The exempt separate trust(s) so established shall be funded with the minimum dollar amount necessary to utilize Settlor's Unused GST Exemption.

(2) Satisfying Pecuniary Bequests in Kind; Payment of Interest

Unless otherwise expressly provided in this Declaration of Trust, any bequest or funding requirement of a dollar (i.e., pecuniary) amount under any provision of this Trust may be satisfied in cash or in kind, in undivided interests, or partly in each; any assets that are used to satisfy the dollar amount shall be valued for this purpose at their date or dates of distribution; and each such dollar amount bequest or funding requirement in this Trust shall, if required under applicable state or federal law, bear interest from the date specified under such law. The foregoing interest

requirement shall be interpreted and adapted to meet the "appropriate interest" requirement imposed by applicable proposed or final generation-skipping regulations (or by substitute or successor provisions of the IRC or regulations).

(d) **Separateness of Exempt and Nonexempt Trusts**

Except as otherwise expressly provided in this Declaration of Trust:

(1) When a trust is divided under the provisions of this Article into exempt and nonexempt trusts or otherwise into separate trusts, each trust shall have the same provisions as the original trust (the "divided trust") from which it is established, and references in this Declaration of Trust to that divided trust shall collectively refer to the separate trusts derived from it; nevertheless Trustee may exercise administrative and distributive discretion, and donees of powers of appointment may exercise their powers, differently with respect to each of the separate trusts (even otherwise identical trusts) derived from the divided trust.

(2) On termination, partial termination, division, subdivision or distribution of any of the various trusts created hereunder, or upon any change in the character of any share or trust or portion thereof from exempt to nonexempt or vice versa due to the existence of a right of withdrawal or otherwise, and when it is provided (or appears to be provided) herein that various trusts are to be combined, the nonexempt (inclusion ratio of one) or exempt (zero inclusion ratio) generation-skipping character of the property of the trusts shall be preserved.

(3) Accordingly, when property is to be added or combined with the property of another trust or other trusts, or when additional trusts are to be established from one or more sources, or when the character of any trust property changes from exempt to nonexempt or vice versa, nonexempt property or trusts shall not be added to or combined with or continue to be held as a part of exempt property or trusts, even if this requires additional separate trusts to be established with the same terms and provisions. (If, for example, the terms of a divided trust direct that on termination, or on nonexercise of a power of appointment, the trust property is to be added to another trust, then the exempt property of a separate trust that had been derived from the terminating trust shall be added only to an exempt trust derived from the recipient trust, and nonexempt property shall be similarly added only to a nonexempt recipient trust; and if no appropriate recipient trust exists for either exempt or nonexempt property, then a new trust of that character shall be established with the same terms and provisions as those of the trust that would otherwise have received that property.) Furthermore, in any case not covered by the foregoing directions (such as that of a partially exempt trust), if the generation-skipping inclusion ratio of any property that is to be added to or combined with a trust has a different inclusion ratio from that trust, Trustee shall refrain from making the addition or combination and shall instead establish for that property a trust with provisions identical to those of the trust to or with which the property would have been added or combined.

(e) **Authority to Combine or Divide**

The Trustee of any trust shall have sole discretionary authority to combine that trust with any other trust or trusts having the same inclusion ratio,

including trusts established (during life or at death) by Settlor or any issue of Settlor; and Trustee shall establish shares within a trust if and as necessary to preserve the rights and protect the interests of the various beneficiaries (such as when trusts being combined do not have identical terms) or if Trustee otherwise believes that separate shares are desirable (such as because different portions of the trust have different perpetuities periods). Conversely, Trustee shall have sole discretionary authority to divide and administer them as separate trusts. In addition (and as an exception to the immediately preceding paragraph), trusts with different generation-skipping inclusion ratios may be combined if Trustee makes a discretionary judgment that economic efficiency or other considerations justify sacrificing their separate generation-skipping characteristics. These powers to combine and divide trusts may be exercised from time to time, and may be used to modify or reverse their prior exercise. In deciding whether and how to exercise the authority granted in this paragraph, Trustee may take account of efficiencies of administration, generation-skipping and other transfer tax considerations, income tax factors affecting the various trusts and their beneficiaries, present and future financial and other objectives of the trusts and beneficiaries, the need or desirability of having the same or different trustees for various trusts or shares, and any other considerations Trustee may deem appropriate to these decisions.

(f) Efficient and Tax-Conscious Administration

It is Settlor's intention to encourage Trustee to administer separate trusts created hereunder in ways that, in the long run, are intended to reduce unnecessary income and transfer taxation among trusts and their beneficiaries and to make efficient utilization of available tax privileges, such as generation-skipping exemptions. Without limiting the foregoing, Settlor particularly authorizes (but does not require) Trustee, in administering different trusts wholly or in part for the benefit of a particular beneficiary or group of beneficiaries, to adopt different investment strategies and objectives for different trusts based on their generation-skipping ratios, and to prefer making distributions from nonexempt trusts to beneficiaries who are non-skip persons for generation-skipping purposes and from exempt trusts to those who are skip persons. Consistent with these objectives, the Trustee of any trust may share information, consult, and in all reasonable ways coordinate decisions and actions with other trustees and with Settlor's personal representatives, under other dispositions made by Settlor, and under the Wills and trusts of others when the various trusts or estates have, in whole or in part, similar beneficiaries or objectives.

(g) Treatment of Exempt and Nonexempt Shares if Generation-Skipping Transfer Tax is Repealed

(1) Notwithstanding any other provision of this Declaration of Trust, if Settlor dies during such time as the federal generation-skipping transfer tax effectively is repealed, then for purposes of this Trust a beneficiary's entire share established at the time of Settlor's death shall be treated as an exempt share.

(2) Further, notwithstanding any other provision of this Declaration of Trust, if a beneficiary (other than Settlor) dies during such time as the federal generation-skipping transfer tax effectively is repealed, then for purposes of this Trust such beneficiary's entire share (including both exempt and nonexempt shares, if

such beneficiary's share shall have been so divided) shall be treated as an exempt share.

(h) **Reclassification of Formerly Nonexempt Share Upon Beneficiary's Death**

With regard to a beneficiary's share of the Trust Estate that is, at the time of beneficiary's death, divided into exempt and nonexempt shares, if either (i) a person authorized to allocate beneficiary's Unused GST Exemption makes such an allocation to beneficiary's nonexempt share of the Trust Estate and, after such allocation, said share has an inclusion ratio of zero or (ii) beneficiary's nonexempt share is included in beneficiary's estate for federal estate tax purposes as a result of beneficiary's power of appointment over such share and, consequently, whether allocation of beneficiary's Unused GST Exemption to said share occurs by operation of law or affirmative act, said share has an inclusion ratio of zero, then, upon beneficiary's death, such nonexempt share shall be added to beneficiary's existing exempt share and held, administered and distributed as though originally a part thereof. Thereafter, all references to beneficiary's "share" shall be to his or her exempt share, except as otherwise expressly provided herein. Notwithstanding the foregoing, if the amount of beneficiary's Unused GST Exemption to be allocated to beneficiary's nonexempt share is insufficient to give such entire nonexempt share an inclusion ratio of zero, then Trustee is authorized to divide said nonexempt share into two (2) separate subshares to facilitate such allocation so that, after such allocation, one such resulting subshare shall have an inclusion ratio of zero, and such subshare shall be added to beneficiary's existing exempt share and held, administered and distributed as though originally a part thereof; the other subshare, having an inclusion ratio of one, shall continue to be treated as beneficiary's nonexempt share. Further, notwithstanding the foregoing, if beneficiary has no exempt share in existence at the time of his or her death, then for purposes of this Trust beneficiary's nonexempt share (or the subshare thereof) which shall acquire an inclusion ratio of zero as provided in this subparagraph (h) shall be treated as an exempt share.

(i) **"Favorable Interpretation" Clause**

All provisions of this Declaration of Trust shall be construed to provide for or to permit division, distribution and administration of trusts and other dispositions in a timely manner consistent with objectives of efficiently using available generation-skipping exemptions and of establishing and maintaining trusts that have inclusion ratios of either zero or one and are thus entirely exempt or entirely nonexempt.

8.11 COORDINATION WITH SETTLOR'S PROBATE ESTATE

(a) **Discretionary Trust Distributions to Settlor's Probate Estate**

At any time during the continuance of the original Trust hereunder after Settlor's death, Trustee may distribute to Settlor's probate estate, as a beneficiary of such Trust, cash and/or other property out of any assets then held by such Trust, including any which are classified as post-death Trust income, to whatever extent such Trustee, in its sole discretion, deems advisable in the best interests of Settlor's beneficiaries generally. Specifically, Trustee is authorized to distribute to Settlor's

estate the stock or interest in a closely held business in order to qualify for extended payments of Settlor's estate taxes under IRC Section 6166.

(b) **Certain Distributions by Settlor's Probate Estate to Be Treated as Advances**

If the executor of Settlor's probate estate makes any discretionary distribution (as authorized by Settlor's Will) directly:

(1) to any trust which is to come into existence under the terms of this instrument as a result of Settlor's death, or

(2) to any individual beneficiary of such a trust,

the amount of such distribution shall be treated as an advance on the allocation ultimately required hereunder to be made to that trust.

8.12 GUARDIAN'S EXPENDITURES

Settlor does not desire that any guardian of any minor beneficiary (other than a natural or adoptive parent thereof) should incur personal expense in the support and maintenance of such beneficiary. Trustee is authorized to disburse funds from such beneficiary's Trust Estate for the purpose of reimbursing such guardian for reasonable expenses incurred in accommodating such beneficiary. Trustee shall construe Trustee's authority liberally to permit payments reasonably necessary to ease the financial burden on such guardian of the person of any minor beneficiary or other suitable individual with whom such beneficiary resides and on such guardian's or other individual's family, resulting from such beneficiary's presence in such guardian's or other individual's household.

8.13 PARTIAL TERMINATION BY TRUSTEE

In the event that the share or separate Trust held for any current income beneficiary of this Trust has, at any time, in the opinion of Trustee, a fair market value of One Hundred Thousand Dollars (\$100,000) or less, Trustee may, in its discretion, but is not required to, terminate such Trust and, regardless of the age of such beneficiary, distribute the principal and any accrued or undistributed net income thereon to such beneficiary or to his or her guardian, conservator, custodian or other fiduciary; provided, however, that if Trustee, individually, would be the income beneficiary but for disclaimer, this discretion shall be exercised by the other Co-Trustee(s) then in office, or if none, by a Special Trustee appointed for that limited purpose, as permitted by Article IV above. Trustee shall not be held liable for its exercise or non-exercise of the discretion conferred in this paragraph.

8.14 TRANSACTIONS AMONG TRUSTS AND/OR SHARES

Trustee may sell assets among any of the trusts established by this instrument or among separate shares or between the probate estate of Settlor and this Trust or any other Trust established by Settlor, as may exist from time to time, on such terms and at such fair market values as Trustee may determine.

8.15 BUDGET INCOME AND EXPENSES

Trustee shall have the power to budget the estimated annual income and expenses of the Trust in such manner as to equalize, as far as possible, periodic income payments to the beneficiaries.

8.16 TRUSTEE'S ADVANCES

Trustee may loan or advance its own funds for any Trust purpose to this Trust, said loans or advances to bear interest at the then current applicable federal rate from date of advancement until paid and, together with interest, to constitute a first lien upon the entire Trust Estate until paid.

8.17 DIVISION AND DISTRIBUTION IN KIND

Upon any division of the Trust Estate into separate trusts or shares, and upon any distribution, Trustee may apportion and allocate assets of the Trust Estate in cash or in kind, or partly in cash and partly in kind, or in undivided interests, in such manner as Trustee, in its discretion, deems advisable. Trustee may sell such property as it deems necessary to make such division or distributions. After any division of the Trust Estate, Trustee may make joint investments with funds from some or all of the several shares or Trusts.

8.18 RIGHT TO RETAIN ADVISORS

Trustee is authorized to retain, at the expense of the Trust Estate, such professional, independent and disinterested investment counsel as Trustee selects for the purpose of reviewing and rendering advice and counsel in connection with trust investments, with Trustee having the discretionary power not to implement such recommendations, and when Trustee does elect to implement the recommendations of such counsel, Trustee shall not be held liable or otherwise surcharged for losses directly attributable to investments made or retained or sold on the advice or recommendation of the investment counsel; and to employ any other counsel for general or specific purposes, including legal, tax, financial, accounting or other professional or technical services in connection with any trust purpose or function. In addition, Trustee may employ any custodian, accountant, corporate fiduciary, appraiser or other experts and legal counsel, agents, clerks and other assistants, and remunerate any and all of such persons and pay their expenses from the assets of the Trust Estate.

8.19 CLOSELY-HELD BUSINESS INTERESTS

With respect to any closely-held corporation, limited liability company ("LLC") or partnership an interest in which shall be transferred to Trustee, Trustee is empowered and directed as follows (subject, however, to the terms of any agreement in effect at the time of the death of Settlor governing the disposition of Settlor's interest in any business entity at such time):

(a) Trustee may retain any LLC or partnership interest and all shares of stock of any closely-held corporation and their respective successors in interest, and may also increase Trustee's investment in any such LLC, partnership or corporation, notwithstanding the fact that such interest or shares may, from time to time, be non-

Income producing and without regard to the normal principles of diversification applicable to trust investments.

(b) Trustee shall have all the powers with respect to any such LLC or partnership interest or stock which Settlor would have if personally present and acting, including, without limitation, the power to incorporate any business or establish any LLC or partnership; to dissolve or liquidate any corporation or other business; and to sell, exchange or otherwise dispose of any LLC or partnership interest or stock.

(c) Profits and losses from any such closely-held business interest shall inure to and be chargeable to the trusts established hereunder and not to Trustee personally.

(d) Trustee shall have the power to compensate itself reasonably for services rendered as a partner, employee or officer of any such LLC, partnership or corporation.

(e) Trustee shall not be liable to any beneficiary of any trust created hereunder for losses resulting from retaining any such LLC or partnership interest or stock or for misconduct, mismanagement or negligence on the part of any LLC member, partner, employee, director or officer who is not Trustee itself or an officer or employee of a corporate Trustee.

(f) Settlor realizes that, in exercising the powers granted by this paragraph, a Trustee may be subject to a conflict of interest with respect to its position as Trustee and its position as a shareholder, partner, employee, officer or director of any such corporation, LLC or partnership. Nevertheless, Settlor intends that Trustee exercise such powers in any manner it deems appropriate, but only in a fiduciary capacity and subject always to discharge of Trustee's fiduciary obligations.

(g) If stock in any corporation which shall have an S election in effect for federal income tax purposes shall be transferred or allocated to any trust share created hereunder, Trustee may (but shall not be required to) divide such trust into two (2) separate trusts as follows: One trust consisting of all stock in the corporation having such S election in effect (the "S Trust") and one trust consisting of all other assets of such trust (the "Conventional Trust"). Notwithstanding any contrary provision of this instrument, Trustee shall distribute all of the income of an S Trust (within the meaning of IRC Section 843(b)) to or for the benefit of the beneficiary thereof, at least annually. Any payments of principal made in the discretion of Trustee may be made from the beneficiary's Conventional Trust or his or her S Trust as Trustee shall determine in its discretion. Except as provided in this subparagraph (g), the provisions of this instrument referring to a beneficiary's trust shall be deemed to refer to both his or her S Trust and his or her Conventional Trust.

8.20 ALLOCATION OF BASIS ADJUSTMENTS

The purpose of this paragraph is to provide direction in the allocation of the basis adjustments authorized by IRC Section 1022 (which was added by the Economic Growth and Tax Relief Reconciliation Act of 2001) in the event that Settlor dies in a year when such basis adjustments are permitted. If that occurs, then it is recommended (but not required) that Trustee (acting as the personal representative of

Settlor), allocate such basis adjustments among the property to which IRC Section 1022 applies (whether such property is governed by this Trust or not) as follows:

(a) As to the aggregate basis increase under IRC Section 1022(c), among any properties to which IRC Section 1022(c) applies and which are qualified spousal properties as defined therein.

(b) As to the aggregate basis increase under IRC Section 1022(b), first among any properties to which IRC Section 1022(b) applies and which are not qualified spousal properties as defined in IRC Section 1022(c); then, as to any remaining unallocated basis increase, among any properties to which IRC Section 1022(b) applies and which are qualified terminable interest properties (as defined in IRC Section 1022(c)(5)); and then, as to any remaining unallocated basis increase, among any properties to which IRC Section 1022(b) applies and which are outright-to-spouse transfer properties (as defined in IRC Section 1022(c)(4)).

(c) In making such allocations of basis increase, to the extent reasonably possible, the goals should be both (i) to minimize aggregate future income tax liabilities that could result because the aggregate tax basis in the properties to which IRC Section 1022 applies is less than the aggregate fair market value of such properties on the date of Settlor's death, and (ii) within the priorities specified in the subparagraphs (a) and (b) above, to achieve equitable after-tax results among all of the beneficiaries (whether under this Trust, Settlor's Will or otherwise). In this regard, Settlor's personal representative may consider any facts and circumstances said representative deems relevant, including, without limitation, whether or not beneficiaries of certain properties to which IRC Section 1022 applies are exempt from income taxation and/or have requested a particular allocation; this sentence is not intended to impose a requirement upon said representative to inquire into each beneficiary's tax circumstances and/or to please all beneficiaries and/or to achieve the best result (in the aggregate or in the particular), but rather to permit said representative to consider such circumstances and information as are readily available to said representative and as appear to said representative to be relevant to allocating the basis increases permitted under IRC Section 1022 in a way that, to the extent reasonably possible, will achieve the goals described in the immediately preceding sentence. Said representative shall be deemed to have fulfilled its fiduciary obligation by applying any reasoned approach that endeavors to achieve the goals set forth in this subparagraph.

8.21 ADMINISTRATIVE ACTION ON DEATH OF SETTLOR

Following the death of Settlor, Trustee shall take possession and control of the Trust Estate to the extent Trustee has not already done so, including any assets to be added to the Trust on account of Settlor's death by gift under Settlor's Will, pay-on-death beneficiary designation or otherwise, and all such assets shall be included in the Trust Estate to be divided or otherwise disposed of upon Settlor's death. Following the death of Settlor and pending distribution outright or in further trust as provided herein, Trustee may hold and administer the Trust Estate as a temporary "administrative trust" for so long as Trustee deems reasonably necessary for purposes of post-death administration, including the payment of debts, taxes, and other expenses, and as a reasonable reserve for contingent liabilities and expenses (taking into account any

applicable statutes of limitation). Nothing in this paragraph is intended to delay the "vesting" of interests; such "vesting" shall be in accordance with the provisions of the California Probate Code.

For purposes of reference in this document, the trusts that may be established upon Settlor's death are identified by the names indicated; however, by a writing maintained with the trust records, Trustee may establish other names for these trusts. If circumstances arise wherein a trust to be established under this instrument is to be distributed (either outright or in further trust) immediately upon its funding, Trustee need not go through the two-step process of funding the trust and then distributing it (unless such two-step process is necessary to preserve tax or other benefits associated with the trust), but instead Trustee may effect immediate distribution of the assets that would otherwise have funded the trust.

In funding any trust shares created hereunder, assets may be allocated in cash or in kind; assets allocated in kind shall be deemed to satisfy the trusts on the basis of their values at the dates of distribution. It is Settlor's intent to take advantage of the credit under IRC Section 2010 and to take advantage of the basis increases under IRC Section 1022 if applicable to Settlor's property, and this Trust shall be interpreted to conform to these intentions notwithstanding any provision hereof which could be construed to the contrary.

8.22 TOXIC CLEAN-UP LIABILITY

(a) Settlor specifically directs that the Trust shall indemnify any Trustee, including any state or national banking association or trust company acting as Trustee, from any personal liability for any clean-up costs relating to property held hereunder that contains toxic substances, and direct that any such clean-up costs be paid from the Trust, unless the toxic substance problem resulted from the bad faith, willful misconduct or gross negligence of Trustee. For purposes of the preceding sentence, "clean-up costs" shall include costs of preventing, abating or remedying any toxic problem, as well as resolving any dispute with any person or governmental agency.

(b) If a nominated Trustee, prior to appointment, suspects that there may be toxic clean-up problems, the prospective Trustee may have the property inspected and obtain an environmental assessment. Such prospective Trustee shall be reimbursed for the reasonable expenses of such assessment from Trust funds, it being Settlor's intent that a prospective Trustee be able to discover any toxic substance problem before consenting to serve. Such assessment shall also be made by any Trustee acting hereunder before the purchase of any property by the Trust if Trustee suspects toxic contamination, the cost for such assessment to be paid from the Trust.

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ARTICLE IX
INSURANCE AND RETIREMENT PLANS

The terms "Plan" or "Plans" as used in this Trust refer to qualified retirement, pension, and profit sharing plans, deferred compensation arrangements, individual retirement accounts, and other similar plans or arrangements. References herein to an administrator of a Plan include the trustee or other administrator of such a Plan or arrangement and the custodian of an individual retirement account.

9.1 RIGHTS RESERVED

If Settlor is an owner of a life insurance policy or a participant in any Plan of which this Trust is a beneficiary, Settlor reserves, during Settlor's lifetime, all of the rights and powers granted to Settlor in any of said policies or Plans, to be exercised by Settlor alone without the consent or participation of Trustee or any beneficiary of this Trust, including, without limiting the generality of the foregoing, the following (except to the extent one or more of the following rights or powers is limited or prohibited by state or federal law applicable to such Plan or policy):

- (a) To receive or apply dividends, distributive shares of surplus, disability benefits, premium refunds, proceeds or matured policies, loan or surrender or commuted values or any other sums due under any such policies or Plans;
- (b) To obtain and receive cash advances or loans as may be available under any such policies or Plans;
- (c) To exercise any options or privileges granted in any such policies or Plans;
- (d) To sell, assign or pledge any such policies or the participant's interests in such Plans;
- (e) To change the beneficiaries of any such policies or Plans, provided that any change of beneficiary having the effect of making the proceeds of any such policies or Plans payable to any beneficiary other than the Trustee of this Trust, shall, upon becoming effective with the issuing company or administrator of such Plan, cause the Trust to be disqualified as a beneficiary of such policies or Plans (except to the extent that the resulting beneficiary of such policies or Plans will thereby be Settlor's estate and this Trust is the beneficiary of Settlor's estate).

9.2 COLLECTION OF PROCEEDS

Upon receipt by Trustee of actual notice of the death of Settlor, Trustee shall make claim or claims for and receive the proceeds of any policies or Plans in force as to which this Trust is a beneficiary, or institute suits and actions to enforce payment of the proceeds of any such policies or the interests in any such Plans. Trustee may do and perform any and all other acts deemed necessary for the purpose of collecting any sums which may be deemed due and payable under the terms of such policies or Plans; provided, however, that Trustee shall be under no duty to enter into or entertain any litigation to enforce the payment of any sums deemed due under such policies or Plans until Trustee shall have been indemnified to its satisfaction against all expenses,

including attorneys' fees and liabilities to which, in its judgment, Trustee may be subjected by such action on its part. Trustee is authorized to compromise and adjust any claims arising out of any such policies or Plans upon terms and conditions which it deems satisfactory, and the decision of Trustee shall be conclusive and binding upon all beneficiaries, persons and corporations interested therein.

9.3 INSURER AND PLAN PROTECTED

No insurance company and no administrator of any Plan shall be under any duty to see to the performance of the terms of this Trust or to see to the application of any death benefits or other funds paid to Trustee under any such policies or Plans subject to the terms of this Trust, and the receipt by Trustee for any such payment shall constitute a release to the insurance company or administrator of any Plan making such payment.

9.4 ALLOCATION OF PLAN

If this Trust is designated as the beneficiary of a Plan, and, as a result, will fund a continuing trust created herein, Trustee shall segregate such interest into a separate single-asset subtrust with the same terms and provisions as the allocated recipient trust, except as follows:

(a) To the extent one or more Plans included in the subtrust are or become subject to annual minimum required distribution rules and the distributions from the Plan(s) are insufficient to satisfy those rules, then Trustee shall demand, at least annually, from the Plan administrator(s) distribution of such additional amounts as are necessary to satisfy those rules. In this regard, if the annual minimum required distribution rules applicable to several Plans permit a distribution of a total amount from one or more of them to satisfy the requirements for all of them, then Trustee shall have the discretion to select from among such Plans those from which to demand distribution. Conversely, if the annual minimum required distribution rules applicable to a particular Plan may be satisfied only by distribution from that Plan, then Trustee shall demand distribution from that Plan.

(b) All rights and powers granted herein affecting the recipient trust that would cause it not to be "irrevocable upon the death of Settlor" as the Plan participant shall be deemed eliminated as to the subtrust holding the interest in the Plan.

(c) If minimum required distribution rules apply to any Plan proceeds payable to any trust share hereunder, Trustee shall annually withdraw from such Plan an amount equal to the minimum required distribution for the calendar year and shall distribute such amount to the beneficiary of such trust share in the calendar year in which Trustee receives the funds. If several individual retirement accounts (or separate shares thereof) are payable to any trust share hereunder, then Trustee may, if then permitted by applicable Treasury Regulations, withdraw the entire minimum required distribution from such individual retirement accounts from any one or more of such accounts.

Trustee is authorized and directed to work with the Plan administrator to accomplish the purposes set forth in this paragraph.

9.5 ALLOCATION OF INCOME IN RESPECT OF A DECEDENT

If any assets administered under this Trust or as to which this Trust is the designated beneficiary carry income in respect of a decedent ("IRD"), including without limitation proceeds of any Plan, such IRD assets shall be allocated first to fund any gifts hereunder to or for the benefit of a Qualified Charitable Organization, if any, before such IRD assets are allocated to fund any other gifts made by Settlor.

9.6 SPECIAL PROVISIONS APPLICABLE TO PLAN BENEFITS PAYABLE TO TRUSTS FOR BENEFICIARIES OTHER THAN SETTLOR

This paragraph shall apply to each trust created hereunder for an individual beneficiary following the death of Settlor, notwithstanding any provision of this Declaration of Trust to the contrary. Settlor intends this paragraph to operate to extend the payment period of Plan benefits payable to each such trust over the longest period of time possible under applicable law, thereby deferring the income tax attributable thereto for as long as possible. As used herein, the term "beneficiary" shall mean the individual currently eligible or entitled to receive distributions of income from the trust in question.

(a) Each year, beginning with the year of Settlor's death, Trustee shall withdraw from each Plan payable to one or more trusts created hereunder for an individual beneficiary the "Minimum Required Distribution" (defined below) for such Plan for such year. All amounts so withdrawn (net of expenses) shall be distributed to the beneficiary of each such trust, outright and free of trust, in accordance with his or her trust's respective proportionate interest in such Plan. Notwithstanding the foregoing, if any beneficiary entitled to receive a share of such withdrawn amounts has not yet attained the age of twenty-five (25) years, such beneficiary's share shall not be distributed to him or her outright but instead shall be distributed to an individual selected by Trustee, in Trustee's discretion, as custodian for such beneficiary under the California Uniform Transfers to Minors Act (or a similar statute of any other state) until such beneficiary attains the age of twenty-five (25) years (or such lower maximum age as may be applicable under the governing statute).

(b) The following definitions shall apply in administering the provisions of subparagraph (a) above: The "Minimum Required Distribution" for any year shall be, for each Plan: (i) the value of the Plan determined as of the preceding year-end, divided by (ii) the "Applicable Distribution Period" (hereinafter defined); or such greater amount (if any) as Trustee shall be required to withdraw under the laws then applicable to the trust in question to avoid penalty. If Settlor's death shall have occurred before her "required beginning date" with respect to such Plan, the "Applicable Distribution Period" means the life expectancy of the beneficiary of such trust (or, if such Plan is payable to more than one trust, the life expectancy of the oldest beneficiary of such trusts). If Settlor's death shall have occurred on or after her "required beginning date" with respect to such Plan, the "Applicable Distribution Period" means the life expectancy of the beneficiary of such trust (or the oldest beneficiary, if there shall be more than one such trust) or (if longer) Settlor's remaining life expectancy. Notwithstanding the foregoing, if Settlor's death shall have occurred on or after her "required beginning date" with respect to such Plan, the "Minimum Required Distribution" for the year of Settlor's death shall

mean (i) the amount that was required to be distributed to Settlor with respect to such Plan during such year, as reduced by (ii) amounts actually distributed to Settlor with respect to such Plan during such year. Life expectancy and the meaning of "required beginning date" and other terms in this paragraph shall be determined in accordance with IRC Section 401(a)(9), as amended, and successor sections thereto, and Treasury Regulations promulgated thereunder.

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ARTICLE X
ADMINISTRATIVE AND GENERAL PROVISIONS

10.1 ACCRUED AND UNDISTRIBUTED INCOME

Upon the death of any beneficiary for whom a trust is held, any accrued or undistributed net income thereon shall be held and accounted for or distributed in the same manner as if it had been accrued or received after the death of such beneficiary.

10.2 NOTICE TO TRUSTEE

Until Trustee shall receive from some person interested in this Trust written notice of any death, birth, marriage or other event upon which the right to receive income or principal of the Trust Estate may depend, Trustee shall incur no liability for any disbursements or distributions made or omitted in good faith.

10.3 SPENDTHRIFT PROVISION

The interest of any beneficiary in the principal or income of this Trust shall not be subject to claims of his or her creditors or others or liable to attachment, execution or other process of law; and no beneficiary shall have any right to encumber, hypothecate or alienate his or her interest in this Trust in any manner except as provided for elsewhere herein. Trustee may, however, deposit in any bank designated in writing by a beneficiary, to his or her credit, income or principal payable to such beneficiary.

10.4 ACCOUNTING

(a) During the lifetime of Settlor, an independent Trustee need account only to Settlor, upon Settlor's demand, and Settlor's written approval shall be final and conclusive with respect to transactions disclosed in the account as to all beneficiaries of the Trust, including unborn and contingent beneficiaries. After the death of Settlor, Trustee shall, in addition to any accounting required under applicable trust law, render an accounting from time to time, but not less frequently than one year after any prior accounting. For purposes of this instrument, an accounting shall consist of copies of a trust's annual federal and state income tax returns filed by Trustee and a copy of the schedule of income and disbursements of the trust for the subject taxable year.

(b) Accountings shall be made by delivering a written accounting to each beneficiary entitled to current income distributions or, if there are no current income beneficiaries, to each beneficiary eligible to receive current distributions of income or principal in Trustee's discretion, and to each remainderman in being. If any person entitled to receive an accounting is a minor or is under a disability, the accounting shall be delivered to his parents or the guardian of his person if he is a minor, or the conservator of his person if he is under a disability. Unless any beneficiary, including parents, guardians or conservators of beneficiaries, shall deliver a written objection to Trustee within one hundred eighty (180) days after receipt of Trustee's account, the account shall be final and conclusive with respect to transactions disclosed in the account as to all beneficiaries of any trust created hereunder, including unborn and unascertained beneficiaries. After settlement of the account by agreement of the parties objecting to it, or by expiration of the one hundred eighty (180) day period,

Trustee shall no longer be liable to any beneficiary of the trust, including unborn and unascertained beneficiaries, with respect to transactions disclosed in the account, except for Trustee's intentional wrongdoing or fraud.

(c) Any accounting provided for herein may be waived if all adult beneficiaries and all parents, guardians or conservators of minor or disabled beneficiaries so agree.

10.5 CHARACTER AND NATURE OF PROPERTY

Any and all property transferred by Settlor to this Trust shall retain its character as Settlor's sole and separate property. It is the intent of Settlor that said property and the earnings, proceeds or avails thereof shall retain its character as Settlor's separate property.

10.6 CONSTRUCTION

The primary purpose of this instrument is to provide for the income beneficiaries, and the rights and interests of remaindermen are subordinate to that purpose. The provisions of this instrument shall be construed liberally in the interests of and for the benefit of the income beneficiaries.

10.7 SURVIVAL

Whenever in this Trust it is provided that any person shall benefit if he or she survives a particular individual or if he or she is "then living" upon the death of a particular individual, that person shall be deemed not to survive or not to be "then living" if he or she is not living on the date which is ninety (90) days after the death of that individual.

10.8 NO CONTEST

(a) If any beneficiary under this Trust, any devisee, legatee or beneficiary under Settlor's last Will, any heir of Settlor, or any person claiming under this Trust or any other trust established by Settlor or under Settlor's estate plan contests Settlor's estate plan, then all legacies, bequests, devises and interests given under this Trust or Settlor's Will to that person shall be forfeited as though he or she predeceased Settlor without issue. The terms "Settlor's estate plan" and "contests" have the meanings described in subparagraphs (b) and (c), respectively, of this Paragraph 10.8.

(b) For purposes of this Paragraph 10.8, the term "Settlor's estate plan" includes any one or more of the following: Settlor's last Will, this Trust, any other trust established partly or in whole by Settlor during Settlor's lifetime or at Settlor's death, a designation of beneficiary for any insurance policy on Settlor's life, a designation of beneficiary for any of Settlor's Plans (described in Article IX above), any gift Settlor made during Settlor's lifetime, and any instrument in which Settlor exercises a power of appointment or modifies a prior exercise of a power of appointment.

(c) For purposes of this Paragraph 10.8, a person will be deemed to have contested if he or she, successfully or unsuccessfully, directly or indirectly, singly or in conjunction with any other person or persons, does one or more of the following, or conspires with or assists anyone who does one or more of the following:

(1) contests or in any manner attacks or seeks to impair or invalidate any of the provisions of any document described in subparagraph (b) above based on any grounds, including but not limited to revocation, lack of capacity, fraud, misrepresentation, menace, duress, undue influence, mistake, lack of due execution, and/or forgery;

(2) objects in any manner to any reasonable action taken or proposed to be taken in good faith by the trustee of a trust described in subparagraph (b) above or by the executor of Settlor's Will (including, without limitation, the good faith exercise or non-exercise of a discretion granted to said trustee or executor), whether said trustee or executor is acting under court order, notice of proposed action or otherwise;

(3) objects to any reasonable construction or interpretation of any document described in subparagraph (b) above that is adopted or proposed in good faith by the trustee of a trust described in subparagraph (b) above or by the executor of Settlor's Will;

(4) files suit on a creditor's claim after rejection or lack of action by the trustee of a trust described in subparagraph (b) above or by the personal representative of Settlor's estate, as applicable;

(5) asserts a community property, quasi-community property and/or separate property interest in an asset or challenges the characterization of an asset in contravention of any document executed by (i) both Settlor and Settlor's spouse, if any, or (ii) either Settlor or Settlor's spouse alone, diminishing such person's interest, unless the same is superseded by a document so executed;

(6) claims, in a court proceeding, ownership of any asset held in joint tenancy by Settlor, other than as a surviving joint tenant;

(7) claims, in a court proceeding, ownership of any asset held by Settlor as community property with right of survivorship, other than as Settlor's surviving spouse;

(8) files a petition for probate homestead in a probate proceeding of Settlor's estate;

(9) files a petition for family allowance in a probate proceeding of Settlor's estate; or

(10) files a petition or other pleading regarding the interpretation of this Paragraph 10.8.

(d) Nothing in this Paragraph 10.8 shall be construed to prevent Settlor's surviving spouse (if any) from claiming Settlor's surviving spouse's interest in Settlor's property.

(e) Nothing in this Paragraph 10.8 shall be construed as preventing any beneficiary from renouncing or disclaiming any part of any gift to him or her made in this instrument or any amendment hereof.

(f) If distribution from this Trust is made to a beneficiary who subsequently violates this paragraph, then the distribution actually or constructively received by such beneficiary shall immediately be returned to Trustee by such beneficiary without regard to whether such beneficiary is then in possession or control of the distributed property. If such property is not returned within ten (10) days from the date Trustee demands return of the property, then Trustee is expressly authorized to secure the return of the property using any and all necessary and appropriate means.

(g) Expenses (including but not limited to attorneys' fees) to resist any contest or other attack of any nature upon any provision of this Trust (including this no-contest provision) or Settlor's Will shall be paid from the Trust Estate as expenses of administration. Expenses (including but not limited to attorneys' fees) to secure the return of property under subparagraph (f) above shall be paid from the Trust Estate as expenses of administration.

(h) If any provision of this Paragraph 10.8 is held to be invalid, void or illegal, the same shall be deemed severable from the remainder of the provisions of this paragraph. If such provision shall be deemed invalid due to its scope and breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

10.9 SEPARATE TRUSTS

Each share into which the Trust Estate is divided pursuant to the provisions hereof shall constitute and be administered as a separate trust. There need be no physical segregation or division of the various trusts established hereunder except as segregation or division may be required by the termination of any of the trusts, but Trustee shall keep separate accounts for the different undivided interests. Nothing herein precludes Trustee from securing separate tax identification numbers for each such separate trust and operating them as independent, freestanding trusts.

10.10 DISINHERITANCE

Except as expressly provided herein, Settlor has intentionally omitted to provide for persons who may be Settlor's heirs, whether or not now in being.

10.11 RULE AGAINST PERPETUITIES

Unless sooner terminated in accordance with the provisions of this instrument, or the provisions of any instrument created by exercise of a power of appointment conferred by this instrument, each trust established hereby and each trust established by the exercise of any such power of appointment shall terminate twenty-one (21) years after the death of the last survivor of the group composed of (i) Settlor, (ii) the beneficiaries in being on the date of Settlor's death and (iii) all of Settlor's grandparents' issue in being on the date of Settlor's death. Upon such termination, Trustee shall distribute outright and free of trust the entire remaining balance of such trust to the person or persons then entitled to receive income from such trust in the proportions as they are entitled to receive income from such trust immediately prior to such termination date; provided, however, that if the rights to income are not fixed at such termination date by the terms of the Trust, the entire remaining balance of such trust shall be distributed ratably to those persons who, in the sole discretion of Trustee, are receiving or eligible to receive income distributions immediately prior to such

termination. If no such persons are then living, the balance then remaining shall be distributed, outright and free of trust, as provided in the paragraph entitled "Undistributed Portion of Trust and Termination."

10.12 USE AND OCCUPANCY OF HOME

If at any time the Trust Estate shall contain any improved real property actually used or suitable for occupancy as a residence or any interest therein, Settlor shall have the right to reside in such property as long as Settlor may desire to do so, free of rent. During Settlor's lifetime, Trustee shall pay the property's expenses based upon the Trust's interest in the property. Expenses shall include, but shall not be limited to, property taxes, assessments, liens, insurance, repairs and other charges or amounts necessary for the general upkeep and reasonable improvement of the property. Trustee, in Trustee's discretion, may sell the residence and replace it or rent or lease another residence of comparable value suitable for Settlor, as Trustee deems appropriate.

10.13 EXERCISE OF TESTAMENTARY POWER OF APPOINTMENT

Any testamentary power of appointment granted to a beneficiary hereunder shall be exercisable only in beneficiary's Last Will and Testament (whether or not admitted to probate) or in a writing witnessed by at least two (2) disinterested witnesses or acknowledged before a notary public and delivered to Trustee during beneficiary's lifetime. Such Will or lifetime writing, as the case may be, shall expressly refer to and exercise such power of appointment. The Will or lifetime writing delivered to Trustee and bearing the date nearest preceding the death of beneficiary shall supersede conflicting provisions of any earlier exercise. Unless, within ninety (90) days after the death of beneficiary, Trustee acquires knowledge of the existence of a Will or lifetime writing by beneficiary which purports to exercise such power of appointment, it shall be deemed for all purposes hereunder that such power of appointment was not exercised.

ARTICLE XI
DETERMINATION OF INCAPACITY

11.1 SCOPE OF ARTICLE

This Article XI sets forth the process by which the capacity of persons having an interest in and/or powers over this Trust or any trust share to be created under this Declaration of Trust shall be determined.

11.2 DETERMINATION OF CAPACITY

(a) A person shall be presumed to have mental and physical capacity unless he or she is deemed to be incapacitated, as provided below.

(b) An individual shall be deemed to be "incapacitated," as that term is used in and for all of the purposes of this instrument, if any Trustee in office hereunder, any person designated to act as a successor Trustee hereunder, any person holding the power to change the Trustee under Article IV above or any beneficiary hereunder comes into possession of any of the following:

(1) A court order, which on its face appears to be jurisdictionally proper and still currently applicable, holding the individual to be legally incapacitated to act in his or her own behalf or appointing a conservator or guardian to act for him or her;

(2) Written statements of two (2) licensed physicians, each stating that (i) he or she is certified by a recognized medical board, (ii) he or she has examined the individual, and (iii) he or she has concluded that such individual had, at the date of the physician's examination, become substantially unable to manage his or her own financial resources; or

(3) Evidence which such Trustee or beneficiary deems to be credible and still currently applicable that the individual has disappeared, is unaccountably absent or is being detained under duress where he or she is unable effectively and prudently to look after his or her own financial best interests.

(c) Upon determination that an individual is incapacitated, Trustee shall document such determination in writing, and said writing shall be kept with the Trust records.

(d) Upon determination that an individual is incapacitated, such incapacity shall be deemed to continue until such court order, physicians' statements and/or circumstances described above have become inapplicable or have been superseded or revoked. Any physician's aforesaid statement may be revoked by a similar statement to the effect that such individual is no longer thus incapacitated, executed either (i) by the physician providing the original statement or (ii) by two (2) other licensed, board-certified physicians. Upon determination that a person formerly considered incapacitated has regained capacity, Trustee shall document such determination in writing, and said writing shall be kept with the Trust records.

(e) No Trustee shall be under any duty to institute any inquiry into an individual's possible incapacity, but the expense of any such inquiry reasonably instituted may be paid from Trust assets.

(f) For all purposes of this Trust, the terms "incapacity" and "incapacitated" shall have the same meanings, respectively, as the terms "incompetence" and "incompetent."

11.3 EFFECT OF DETERMINATION OF INCAPACITY

(a) If any individual Trustee in office is determined to be incapacitated, then he or she shall be deemed to have resigned as Trustee upon such determination.

(b) If any individual designated to act as a successor Trustee is determined to be incapacitated, then he or she shall be deemed ineligible to serve as a Trustee after such determination.

(c) If any beneficiary to whom a power (including, but not limited to, a power of withdrawal or a power of appointment) is granted hereunder is determined to be incapacitated, then he or she shall be deemed ineligible to exercise such power during such period of incapacity; and Trustee shall give no effect to any document purporting to exercise said power that was executed by such beneficiary during the period of his or her incapacity. Notwithstanding the foregoing, while a beneficiary is incapacitated, any power granted hereunder to such beneficiary may be exercised on such beneficiary's behalf by either (i) the duly appointed conservator or guardian of that beneficiary's estate, pursuant to specific court authorization, or (ii) such beneficiary's attorney-in-fact designated in a durable power of attorney duly executed pursuant to applicable law, but only if the instrument creating the durable power of attorney expressly gives the attorney-in-fact such power. Notwithstanding any provision of this instrument to the contrary, such conservator, guardian or attorney-in-fact, as the case may be, may not exercise any such power in favor of himself or herself, his or her estate, his or her creditors, or the creditors of his or her estate, (i) except with respect to the portion of such beneficiary's trust share having a value not exceeding in any calendar year the greater of Five Thousand Dollars (\$5,000) or five percent (5%) of the value of such beneficiary's trust share subject to such power, with such value to be determined as of the date of exercise of the power, or (ii) unless there is more than one person acting as conservators, guardians or attorneys-in-fact, as the case may be, and at least one such person has a substantial interest in the property which is the subject of such power, which is adverse to the exercise of such power in favor of the other such person, in accordance with IRC Section 2041(b)(1)(C)(ii) and Section 2514(c)(3)(b).

11.4 EFFECT OF REGAINING CAPACITY

(a) Upon regaining capacity, any individual who was acting as a Trustee and who was deemed to have resigned as a result of his or her incapacity may, at his or her election, resume acting as a Trustee. If such individual elects to resume acting as a Trustee, then the successor Trustee in office shall resign. Alternatively, such individual may elect to become the next in the order of priority to act as successor Trustee upon the death, resignation or incapacity of the then acting Trustee.

(b) Upon regaining capacity, any individual who was designated to act as a successor Trustee and who was deemed to be ineligible to serve as a result of his or her incapacity shall once again become eligible to serve as successor Trustee, in the same order of priority as originally designated. Notwithstanding the foregoing, if an

individual having a lower priority to act is then serving as Trustee, the individual who has regained capacity may, at his or her election, either commence acting as Trustee, in which case the successor Trustee in office shall resign, or become the next in the order of priority to act as successor Trustee upon the death, resignation or incapacity of the then acting Trustee.

(c) Upon regaining capacity, any beneficiary to whom a power (including, but not limited to, a power of withdrawal or a power of appointment) is granted hereunder and who was deemed ineligible to exercise such power as a result of his or her incapacity shall once again become eligible to exercise such power. Upon such beneficiary's regaining capacity, Trustee shall promptly deliver to such beneficiary copies of (i) all documents purporting to exercise any such power that were executed by such beneficiary during the period of his or her incapacity and (ii) all documents exercising any such power that were executed by such beneficiary's conservator, guardian or attorney-in-fact during the period of such beneficiary's incapacity. All documents purporting to exercise any such power that were executed by such beneficiary during the period of his or her incapacity shall remain ineffective except to the extent such beneficiary instructs Trustee otherwise in a written instrument complying with all formalities required hereunder for the exercise of such power. All documents exercising any such power that were executed by such beneficiary's conservator, guardian or attorney-in-fact during the period of such beneficiary's incapacity shall remain effective except to the extent such beneficiary instructs Trustee otherwise in a written instrument complying with all formalities required hereunder for the exercise of such power.

11.5 DISCLOSURE OF HEALTH INFORMATION FOR PURPOSE OF DETERMINING INCAPACITY

Recognizing the importance of protecting the confidentiality of health care information but realizing that fulfillment of the intentions set forth in this instrument depends upon the mental and physical capacity of various persons, Settlor requests, as set forth below, that persons having an interest in and/or powers over this Trust or any trust share to be created under this Declaration of Trust agree that their protected health information and individually identifiable health information be made available to others involved with this Trust for purposes of determining capacity or incapacity as provided in this Article.

11.6 AUTHORIZATION BY ACTING TRUSTEE

Settlor requests that each acting individual Trustee execute an authorization for release of protected health information and individually identifiable health information which is valid under both (i) the Health Insurance Portability and Accountability Act of 1996 and (ii) the California Confidentiality of Medical Information Act (or any similar law of such other state where such Trustee resides). Such authorization should permit disclosure of such Trustee's protected health information and individually identifiable health information to anyone then acting as a Trustee of this Trust (or, if such information relates to such Trustee, then to the next nominated successor Trustee(s) as well as to the next person holding the power to change the Trustee under Article IV above, if any) for purposes of implementing the provisions of

this Article. Settlor expects and encourages each individual acting as Trustee hereunder to cooperate in any medical examination reasonably necessary to carry out the provisions of this Article.

11.7 AUTHORIZATION BY SUCCESSOR TRUSTEE

Settlor requests that, upon accepting his or her office as such, each individual successor Trustee, whether designated in this instrument or not, execute an authorization for release of protected health information and individually identifiable health information which is valid under both (i) the Health Insurance Portability and Accountability Act of 1996 and (ii) the California Confidentiality of Medical Information Act (or any similar law of such other state where such Trustee resides). Such authorization should permit disclosure of such Trustee's protected health information and individually identifiable health information to anyone then acting as a Trustee of this Trust (or, if such information relates to such Trustee, then to the next nominated successor Trustee(s) as well as to the next person holding the power to change the Trustee under Article IV above, if any) for purposes of implementing the provisions of this Article. Settlor expects and encourages each individual acting as successor Trustee hereunder to cooperate in any medical examination reasonably necessary to carry out the provisions of this Article.

11.8 AUTHORIZATION BY BENEFICIARY

Settlor requests that each beneficiary holding a power of withdrawal or a power of appointment hereunder execute an authorization for release of protected health information and individually identifiable health information which is valid under both (i) the Health Insurance Portability and Accountability Act of 1996 and (ii) the California Confidentiality of Medical Information Act (or any similar law of such other state where such beneficiary resides). Such authorization should permit disclosure of such beneficiary's protected health information and individually identifiable health information to anyone then acting as a Trustee of this Trust (or, if such information relates to such beneficiary acting as Trustee, then to the next nominated successor Trustee(s) as well as to the next person holding the power to change the Trustee under Article IV above, if any) for purposes of implementing the provisions of this Article. Settlor expects and encourages each beneficiary holding a power of withdrawal or a power of appointment hereunder to cooperate in any medical examination reasonably necessary to carry out the provisions of this Article.

11.9 SPECIAL TERMS

(a) As used herein, the terms "protected health information" and "individually identifiable health information" shall have the same definitions as such terms are given in the Health Insurance Portability and Accountability Act of 1996 and/or the regulations promulgated thereunder.

(b) As used herein, the term "Trustee" shall be deemed to include a "Special Trustee," when appropriate to the context.

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ARTICLE XII

DEFINITIONS

As used herein, the terms described below shall be defined as follows:

12.1 "BENEFICIARY" DEFINED

The term "beneficiary" shall mean an individual who has the current right or a vested or contingent future right or is or will be eligible to receive principal or income under one or more provisions of this Trust, as the context requires.

12.2 "COMFORT" DEFINED

The term "comfort" shall mean happiness, benefit, consolation, enjoyment, pleasure, relaxation and freedom from care.

12.3 "DEATH TAXES" DEFINED

"Death taxes" refers to all estate, inheritance or other taxes, including any interest and penalties thereon, arising by reason of Settlor's death. The term, however, does not include generation-skipping transfer taxes.

12.4 "DISCLAIMER" DEFINED

"Disclaimer" shall mean a written, irrevocable and unqualified refusal by the beneficiary to accept the interest disclaimed. Said disclaimer shall be made in accordance with the terms and conditions of IRC Section 2518.

12.5 "DISCRETION OF TRUSTEE" DEFINED

The term "discretion of Trustee" shall be based on a reasonableness standard unless the specific language of the Trust also confers "absolute," "sole," or "uncontrolled" discretion to Trustee. Should the Trust confer "absolute," "sole," or "uncontrolled" discretion to Trustee, such discretion shall nevertheless be subject to a good faith standard to be applied by Trustee.

12.6 "EDUCATION" DEFINED

Unless defined elsewhere in this Trust, the term "education" shall be construed to include preschool, primary and secondary private education as well as education at an accredited public or private college or university and postgraduate study and technical, vocational, music, art, religious or trade school so long as pursued to advantage by the beneficiary at an institution of the beneficiary's choice.

(a) Trustee may establish reasonable criteria for the beneficiary to achieve, including maintaining a minimum grade point average, minimum class schedule and acceptable standards of behavior at school.

(b) The costs of education which may be paid or supported by Trustee shall include, but not be limited to, tuition, room, board, books, supplies, student fees, travel costs to or from the institution, overseas or domestic travel directly related to furtherance of the educational program and living expenses incurred in connection with the educational program. The costs of education that are part of the support obligations of a Trustee in office hereunder shall not be paid.

(c) Trustee shall have the option to distribute funds directly to or on behalf of the beneficiary for the above purposes, or to loan funds to the beneficiary, under such terms and conditions as Trustee deems reasonable and appropriate.

(d) Payments made on behalf of a beneficiary shall be paid to the guardian, legal representative, institution or other third party for the benefit of the beneficiary.

12.7 "GST EXEMPTION" DEFINED

"GST Exemption" refers to the generation-skipping transfer tax exemption allowable under IRC Section 2631.

12.8 "HEALTH" DEFINED

Unless defined elsewhere in this Trust, the term "health" shall mean any and all inpatient or outpatient medical or mental health services, drugs and medically necessary devices or supplies, including, without limitation, accommodations in a hospital, medical center, nursing home or any other short, intermediate or long-term health care facility, ancillary health care services including in-home care, substance-abuse program services, detoxification services, dietary services, physical therapy services, x-ray and laboratory services, medication management services, drugs and medicines, preliums for health insurance not otherwise provided, any outpatient aftercare program services following inpatient stays for rehabilitation, and ambulance or other transportation services. Notwithstanding the foregoing, "health" shall not include elective cosmetic surgery unless needed to correct a disfigurement caused by injury, illness or birth defect.

12.9 "INCOME" DEFINED

"Income" shall mean the property described as such in the California Uniform Principal and Income Act.

12.10 "INCOME BENEFICIARY" DEFINED

The term "income beneficiary" shall mean an individual who has the current right or is currently eligible to receive income under one or more provisions of this Trust.

12.11 REFERENCES TO "IRC" OR THE "CODE"

References to "IRC" or the "Code" shall mean the Internal Revenue Code of 1986, as amended at any time, and references to any chapter or section of said Code shall be deemed also to refer to the comparable provisions of any subsequent revenue law.

12.12 "ISSUE" DEFINED

"Issue" shall mean children as well as other lineal descendants of whatever degree. It shall also include persons who shall have been legally adopted prior to reaching the age of eighteen (18) years as well as any children or lineal descendants (including any so adopted) of any such adopted persons to the same extent as if each such adopted person had been born to such person's adoptive parents. Such term shall also include a child in gestation who is later born alive, who

shall be considered in being throughout the gestation. For purposes of this Trust, a child born out of wedlock shall be considered the "issue" of the child's natural parent only if the parent both acknowledged the child and contributed to the support or the care of the child, and the terms "acknowledged" and "contributed to the support or the care" shall be construed as those terms are construed under Section 6452 of the California Probate Code (or any successor statute).

12.13 "LIQUID ASSETS" DEFINED

"Liquid assets" shall mean publicly traded securities, cash and cash equivalents (including without limitation timed deposit certificates).

12.14 "MAINTENANCE" DEFINED

"Maintenance" shall have the same meaning as "support," whether used separately or in conjunction with the term "support."

12.15 "MINOR" DEFINED

"Minor" shall mean any person who shall not have attained the age of eighteen (18) years.

12.16 "NET INCOME" DEFINED

"Net income" shall mean the income available for distribution after payment or reservation of sufficient funds to pay all expenses of management and administration of the Trust Estate, including the compensation of Trustee and taxes.

12.17 "PRINCIPAL" DEFINED

"Principal" shall mean the property described as such in the California Uniform Principal and Income Act.

12.18 "QUALIFIED CHARITABLE ORGANIZATION" DEFINED

"Qualified Charitable Organization" shall mean an organization gifts to which qualify for the federal gift tax charitable deduction pursuant to IRC Section 2522(a), the federal estate tax charitable deduction pursuant to IRC Section 2055(a) and/or the federal income tax charitable deduction pursuant to IRC Section 170(c).

12.19 "RATABLY" DEFINED

"Ratably" shall mean a fraction determined as follows: The numerator shall represent a specific beneficiary's percentage interest and the denominator shall represent the total of all beneficiaries' percentage interests.

12.20 "RESIDUE" DEFINED

"Residue" shall mean that portion of the Trust Estate remaining after debts, expenses and specific gifts have been discharged.

12.21 "SIBLINGS" DEFINED

The term "siblings" shall mean the brothers and sisters of a beneficiary born to or legally adopted by Settlor or by the parent of such beneficiary who is the individual issue of Settlor and shall include half-brothers and half-sisters who meet this

definition. For purposes of this Trust, a child born out of wedlock shall be considered the "sibling" of a beneficiary only if the parent of the beneficiary who is also the parent of such child both acknowledged the child and contributed to the support or the care of the child, and the terms "acknowledged" and "contributed to the support or the care" shall be construed as those terms are construed under Section 6452 of the California Probate Code (or any successor statute).

12.22 "SUPPORT" DEFINED

Unless defined elsewhere in this Trust, the term "support" shall refer to provision of food, clothing and shelter sufficient to maintain a beneficiary's accustomed standard of living.

12.23 "TRUST ESTATE" DEFINED

"Trust Estate" shall mean the property originally transferred to Trustee by Settlor and any cash, securities or other property which Trustee may, at any time, hold or acquire, for the uses and purposes and upon the terms and conditions set forth in this Trust.

12.24 TRUST REFERENCES

"Trust," "Living Trust," "Declaration of Trust," "Trust Instrument" and "Trust Agreement" shall all refer to this Declaration of Trust, and the Trust created hereunder shall be known as THE FAWCETT LIVING TRUST. Notwithstanding the foregoing, where the context requires, the term "Trust" may also refer to any subtrust to be created under this Declaration of Trust.

The image shows a large, semi-transparent watermark logo for "Radar online.com". The word "Radar" is in a large, pink, rounded font, and "online.com" is in a smaller, pink, sans-serif font below it. The logo is centered on the page.

ARTICLE XIII

MISCELLANEOUS

13.1 HEADINGS

The headings in this Declaration of Trust are inserted for convenience of reference and are not to be considered in the construction of the provisions hereof.

13.2 CONFLICT OF LAWS

(a) The meaning and effect of the terms of this Trust instrument and of any other Trust instrument related hereto shall be governed by the laws of the State of California.

(b) The administration of each Trust hereunder shall be governed by the laws of the state in which that Trust is then being administered (based on the location of the principal office of Trustee then having custody of that Trust's principal assets and records), which state's courts shall have exclusive jurisdiction over the administration of that Trust with respect to any period during which it was thus being administered in that state.

(c) The foregoing shall apply even though the situs of some Trust assets or the home of Settlor, a Trustee or a beneficiary may at some time or times be elsewhere.

13.3 INVALIDITY

If any provision of this Declaration of Trust shall be invalid or unenforceable, the remaining provisions thereof shall nevertheless continue to be fully effective.

IN WITNESS WHEREOF, Settlor has executed this Third Amendment to and Restatement of THE FAWCETT LIVING TRUST originally entered into by Declaration of Trust dated December 5, 1991, on August 9th, 2007.


FARRAH LENI FAWCETT, Settlor

CERTIFICATION OF TRUSTEE

The undersigned, Trustee named in the foregoing Trust, does hereby certify that she has read the foregoing Third Amendment to and Restatement of THE FAWCETT LIVING TRUST and that she agrees to continue to act as Trustee under the terms, provisions and conditions therein.

DATED: August 9th, 2007


FARRAH LENI FAWCETT, Trustee

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

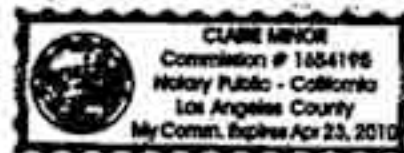
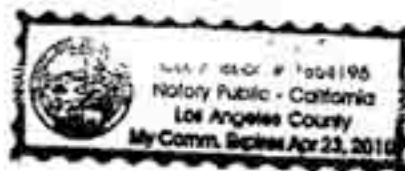
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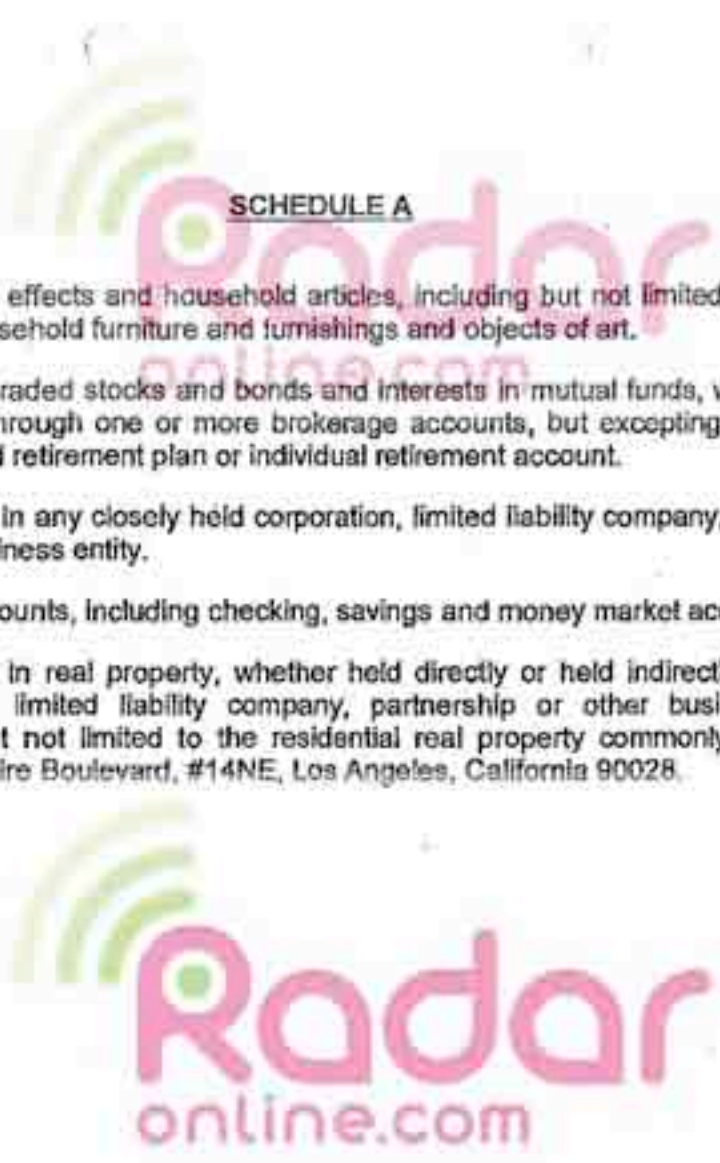
On Aug 9, 2007, 2007, before me, Claire Minor, a Notary Public of the State of California, personally appeared FARRAH LENI FAWCETT, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument, and acknowledged to me that she executed the same in her authorized capacities, and that by her signatures on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.


Notary Public in and for said County and State

[Seal]





SCHEDULE A

1. All personal effects and household articles, including but not limited to vehicles, jewelry, household furniture and furnishings and objects of art.
2. All publicly traded stocks and bonds and interests in mutual funds, whether held directly or through one or more brokerage accounts, but excepting any held in any qualified retirement plan or individual retirement account.
3. All interests in any closely held corporation, limited liability company, partnership or other business entity.
4. All bank accounts, including checking, savings and money market accounts.
5. All interests in real property, whether held directly or held indirectly through a corporation, limited liability company, partnership or other business entity, including but not limited to the residential real property commonly known as: 10580 Wilshire Boulevard, #14NE, Los Angeles, California 90028.