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Tracie K. Lindeman
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IN THE SUPREME COURT OF THE STATE OF NEVADA

IN THE MATTER OF FREI
IRREVOCABLE TRUST DATED
OCTOBER 29, 1996.

Supreme Court No. 68029
District Court Case No. P065257

STEPHEN BROCK

Appellants,

v.

PREMIER TRUST, INC.; LAWRENCE
HOWE; AND ELIZABETH MARY
FREI,

Respondents.

APPEAL

**APPELLANT'S APPENDIX OF EXHIBITS
VOLUME III
FIT 00296 – 00543**

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Exhibit No.	Document Title	Bates No.
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21	Notice of Appeal	FIT00727-FIT00729

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 23rd day of December, 2015, I served and hand delivered a true and correct copy of the foregoing **APPELLANT'S APPENDIX OF EXHIBITS, VOLUME III**, to:

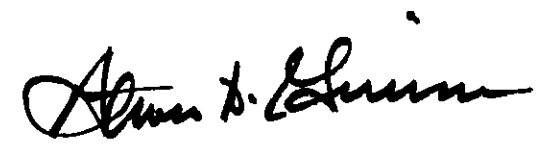
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Lawrence Howe and Elizabeth*

/s/ Amanda Abril

An employee of the Law Office of Mike Beede

DISTRICT COURT
CLARK COUNTY, NEVADA


CLERK OF THE COURT

In the Matter of the

FREI IRREVOCABLE TRUST, dated
October 29, 1996.

CASE NO. P-09-065257-T

DEPARTMENT: 26

DECLARATION OF STEPHEN BROCK

I, Stephen Brock, state under penalty of perjury that the following is true to the best of my knowledge and belief, except as to those matters stated upon information and belief, and as to such matters I believe them to be true:

1. Emil Frei, III (“Dr. Frei”), and Adoria B. Frei (“Adoria”) created the Frei Irrevocable Trust on October 29, 1996 (the “Trust”). A true and correct copy of the Trust is attached to this Declaration as Exhibit 1.

2. On June 12, 2009, the Eighth Judicial District Court for the State of Nevada entered an Order reforming a portion of the Trust in case number P-09-065257-T. A copy of this Order is attached as Exhibit 2.

3. Other than the Trust itself and the Order reforming the Trust, I am unaware of any other amendments to the Trust and believe that no such amendments were ever made.

4. The Settlers expressly declared the Trust to be irrevocable and retained no right, title, or interest in the income or principal of the Trust. See Exh. 1, Art. One, §§3-4 of the Trust.

5. The Settlers designated their ten children, including me, as the beneficiaries of the Trust (five of the children are Dr. Frei’s children, and five of the children are Adoria’s children). See Exh. 1, Art. Three, §1 of the Trust.

1 6. The Trust provides that while the Settlers or a Settlor was alive, the trustee of the
2 Trust retained full discretion as to any distributions of income or principal from the Trust to the
3 beneficiaries. See Exh. 1, Art. Three, §9 of the Trust.

4 7. During Dr. Frei's life, a Settlement Agreement was approved by this Court in case
5 number P-09-065235-E, which Settlement Agreement resolved then-pending litigation between
6 myself and various other parties, including the trustees of the Emil Frei, III Trust (the "Emil Frei
7 Trust"). A copy of the Order approving this Settlement Agreement is attached as Exhibit 3.

8 8. Among many other things, the Settlement Agreement provides that I was to make
9 payment of a certain sum of money to the Emil Frei Trust. In addition, the Settlement Agreement
10 states, "Said amount shall be secured by Stephen Brock's interest in The Frei Irrevocable Trust,
11 dated October 29, 1996 ..., which shall not be disclaimed by Stephen Brock." See Exh. 3, p. 2, l.
12 27 – p.3, l. 1.

13 9. At the time that the Settlement Agreement was entered into, the terms of the Trust
14 did not permit me to make any demand for distribution of income or principal from the Trust to
15 me. See Exh. 1, Art. Three, §9 of the Trust.

16 10. Adoria died on January 28, 2009.

17 11. Dr. Frei died on April 30, 2013.

18 12. Following Dr. Frei's death, the Trust provides that I have the right to elect to
19 receive distribution in full of my respective share of the Trust. See Exh. 2, page 4 of 11, reformed
20 Art. Seven, §1.a.

21 13. Following Dr. Frei's death, the trustees of the Trust never provided me the
22 opportunity to receive distribution of my share of the Trust, nor have the trustees of the Trust
23 made any distribution from the Trust to me.

14. Instead, following Dr. Frei's death, Premier Trust, Inc., as trustee of the Trust, paid \$300,000 from my share of the Trust to the trustees of the Emil Frei, III Trust (the "Emil Frei Trust") after the Emil Frei Trust demanded such payment in satisfaction of amounts allegedly due to the Emil Frei Trust from me.

15. Following Dr. Frei's death, I have not given any consent to Premier Trust to pay any amount from my share of the Trust to the trustees of the Emil Frei Trust.

16. It is my understanding that Premier Trust continues to hold approximately \$450,000 in my share of the Trust.

17. Premier Trust has refused my requests that my share of the Trust be distributed to me and has refused to make any distribution from my share of the Trust to me.

18. Following Dr. Frei's death, Premier Trust has made full and final distribution to all of the other nine beneficiaries of the Trust. See Exhibit 4, pages 4 and 5 of Statement of Transactions for the Trust, for the time period of January 1, 2014, through December 31, 2014, showing "Final Distribution to Beneficiary" on June 3, 2014, to beneficiaries Francis C. Brock, Peter Brock, John Brock, Judy Frei, Vincent Brock, Nancy Frei, Emil Frei IV, Alice Frei, and Elizabeth Frei.

19. Because all of the other nine beneficiaries have received "Final Distribution," I am the only beneficiary of the Trust for whom funds are still held in the Trust, and pursuant to the terms of the Trust, I am the only beneficiary entitled to distribution of income at this time.

DATED this 22 day of January, 2015.



STEPHEN M. BROCK

EXHIBIT “1”

This
JOINT IRREVOCABLE TRUST

prepared for

EMIL FREI, III

and

ADORIA B. FREI

by

Arnold L. Slavet

Arnold L. Slavet, Counsellor at Law, P.C.

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The Frei Irrevocable Trust

Article One

Creation of Our Trust

Section 1. Our Trust

This is our irrevocable trust, dated October 29, 1996, by EMIL FREI, III, the husband Trustmaker, and ADORIA B. FREI, the wife Trustmaker, and the following initial Trustees:

EMIL FREI, IV

PETER AUGUSTINE BROCK

All references to "our trust" or "trust," unless otherwise stated, shall refer to this irrevocable trust and the trusts created in it. All references to "Trustee" shall refer to our initial Trustees or their successor or successors in trust.

When the term "Trustmaker" is used in our trust, it shall have the same legal meaning as "Grantor," "Settlor," "Trustor," or any other term referring to the maker of a trust.

Section 2. The Name of Our Trust

For convenience, our irrevocable trust shall be known as the:

FREI IRREVOCABLE TRUST

For purposes of beneficiary designations, transfers directly to our trust, and formal correspondence, our trust shall be referred to as:

EMIL FREI, IV and PETER AUGUSTINE BROCK, Trustees, or their successors in trust, under the FREI IRREVOCABLE TRUST, dated

October 29, 1996.

In addition to the above descriptions, any description for referring to our trust shall be effective to transfer title to our trust or to designate our trust as a beneficiary as long as that description includes the date of our trust, the name of at least one initial or successor Trustee, and any reference that indicates that assets are to be held in a fiduciary capacity.

Section 3. An Irrevocable Trust

This trust is irrevocable, and neither of us shall have any power to control and direct payments, remove trust property, or alter, amend, revoke, or terminate this trust, either in whole or in part.

Section 4. We Have No Rights in This Trust

After the execution of this trust agreement, we shall have no right, title, or interest in the income or principal of this trust. In addition, we shall have no right, title, interest, power, incident of ownership, or any other benefit in any trust property.

Neither we nor our estates shall have any reversionary or similar interest in this trust or the property contained in it.

Article Two

Funding Our Trust

Section 1. Initial Funding

Our trust will be initially funded with \$10 and such other property as shall be listed on Schedule A. Schedule A shall be made a part of and shall be incorporated by reference in this agreement.

Section 2. Additional Funding

Our trust may be additionally funded by either of us or by any other person in any manner with property interests of all kinds. All property interests transferred, assigned, conveyed, or delivered to our Trustee in trust shall be absolute and irrevocable and must be acceptable to our Trustee.

All property interests transferred, assigned, conveyed, or delivered to our Trustee shall be subject to all of the terms and conditions set forth in this agreement.

Our Trustee, in its sole and absolute discretion, may accept any property interest subject to conditions that may be imposed by the transferor of such property interest at the time of contribution which exclude any beneficiary under Article Three of this agreement from having any right referred to in Article Three to withdraw a share of such contributed property or which otherwise limit the withdrawal rights of any beneficiary with respect to such contributed property.

Our Trustee may not accept any property interest that would in any way alter, amend, or change the rights of a beneficiary with respect to any prior contributed property.

Article Three

Administration of Our Trust during Our Lives

Section 1. Beneficiaries

The names of our children are:

ELIZABETH MARY FREI-PEARSON

EMIL FREI, IV

ALICE C. FREI

NANCY FREI

JUDITH FREI-HOWE

STEPHEN MARTIN BROCK

FRANCIS CHRISTOPHER BROCK

PETER AUGUSTINE BROCK

VINCENT dePAUL BROCK

JOHN CLAVER BROCK

All references to our children in this agreement are to these children, as well as any children subsequently born to us, or legally adopted by us.

But, only the wife Trustmaker's living children and their living descendants shall be the beneficiaries under this Article.

Section 2. A Beneficiary's Withdrawal Right

While either of us is living, for each calendar year in which any property is given or deemed to be given to the trust by a direct or an indirect transfer of property to the trust, except as otherwise specifically provided by the transferor of such property, each living beneficiary under this Article shall have the right to withdraw that beneficiary's pro rata share of the contributed property.

The contribution value of a gift shall be used for purposes of determining the value of the withdrawal rights.

The withdrawal right shall be subject to the limitations and qualifications as provided in subsequent provisions of this Article.

Section 3. The Annual Limit on Withdrawals

In no event shall the total amount withdrawable by a beneficiary by reason of a direct or indirect gift to this trust in any one calendar year exceed the lesser of:

An amount equal to the maximum gift tax annual exclusion under Section 2503(b) of the Internal Revenue Code, or any other corresponding provisions of any subsequent federal tax laws in effect in the calendar year of withdrawal, or

An amount equal to the maximum annual amount allowable under Section 2514(e) of the Internal Revenue Code, or any other corresponding provisions of any subsequent federal tax laws in effect in the calendar year of withdrawal as to which the lapse of a power of appointment shall not be considered a release of such power.

Section 4. Exercise of Withdrawal Rights by Our Beneficiaries

A beneficiary's withdrawal right shall be vested as of the date of the transfer to the trust which results in the withdrawal right. Withdrawals may be made at any time within 30 days from the date of the notice by our Trustee to the withdrawal right beneficiary of the transfer to the trust.

a. Withdrawal Rights Are Noncumulative

A beneficiary's right to withdraw is noncumulative and shall lapse, to the extent that the withdrawal rights have not been exercised, at the end of 30 days after the date of the notice.

b. Method for Exercising Withdrawal Rights

A withdrawal right beneficiary shall exercise a withdrawal right by delivering a written request to our Trustee within 30 days from the date of the notice.

c. The Death of a Beneficiary

A beneficiary's vested withdrawal right shall not terminate by reason of his or her death. The personal representative of the beneficiary's estate shall then have the right to exercise the vested withdrawal right on behalf of the beneficiary's estate.

Section 5. Notice by Our Trustee of the Right to Withdraw

Our Trustee, within fifteen days following the transfer of property to the trust, shall provide written notice to each beneficiary then entitled to a right to withdraw that property has been transferred to the trust. The notice shall be delivered by hand or by mail to the last known address of the beneficiary and shall inform the beneficiary of the right of the beneficiary to withdraw.

a. Notice for Indirect Transfers

If an indirect transfer is made to the trust, our Trustee, within fifteen days of our Trustee's actual notice of such indirect transfer, shall provide written notice to each beneficiary then entitled to a right to withdraw that property has been transferred to the trust. The notice shall be delivered by hand or by mail to the last known address of the beneficiary and shall inform the beneficiary of the right of the beneficiary to withdraw.

b. Notice to Additional Beneficiaries

If additional individuals subsequently become qualified to be beneficiaries of the trust as a result of being born or adopted after this trust is signed, our Trustee shall give written notice to or on behalf of that beneficiary within a reasonable time after being informed of the additional beneficiary. This shall in no manner be deemed to permit us to add beneficiaries or expand the class of individuals to be beneficiaries.

Section 6. Minor or Disabled Beneficiaries

If a beneficiary entitled to make a withdrawal is a minor or under any other form of legal disability during all or part of any withdrawal period, the beneficiary's legal or natural guardian, conservator, or other personal representative shall be informed of, and may exercise, the withdrawal right on behalf of the beneficiary.

Section 7. Trustee Duties as to a Withdrawal Right

Our Trustee shall retain sufficient liquid trust property or other trust property which is transferable in order to satisfy the withdrawal rights which are then outstanding.

Our Trustee may distribute trust property in cash or in kind, including insurance policies held in the trust or interests in those policies, to a beneficiary making a withdrawal. Our Trustee is authorized to borrow, upon such terms as are reasonable and necessary, in order to provide for payment of amounts required by any exercise of withdrawal rights by a beneficiary.

Section 8. Indirect Transfers

The amount of any payment made directly to an insurance company by any party other than our Trustee of all or any part of a premium on a life insurance policy owned by the trust on our joint lives, or on the life of either of us, shall be considered a transfer to the trust.

The date of the transfer shall be the date of the premium payment to the extent that the payment is deemed to be a gift from one or both of us to the beneficiaries for

federal gift tax purposes.

Any such indirect transfer shall create withdrawal rights in an amount equal to the value of the deemed gift.

Section 9. Amounts Not Withdrawn

Any amount subject to a withdrawal right which is not withdrawn by the beneficiary of the withdrawal right shall be retained in trust and shall be administered as follows:

a. Distribution of Income and Principal

Our Trustee shall pay to or apply for the benefit of our beneficiaries as much of the net income and principal of the trust as our Trustee, in its sole and absolute discretion, determines to be necessary or advisable for their education, health, maintenance, and support.

Any net income not distributed by our Trustee shall be accumulated and added to the principal of the trust.

b. Other Available Resources

In making distributions pursuant to this Section, our Trustee shall take into consideration, to the extent that our Trustee deems advisable in its sole and absolute discretion, any income or other resources which are available to our beneficiaries outside of the trust and are known to our Trustee.

c. Distributions in Discretion of Trustee

Our Trustee, in its sole and absolute discretion, may make distributions to or for the benefit of one or more trust beneficiaries to the complete exclusion of the other beneficiaries and may make distributions to beneficiaries in equal or unequal amounts.

A distribution to or for the benefit of a beneficiary shall be charged to the trust as a whole rather than against any ultimate share which the beneficiary may receive.

d. Discharge of a Legal Obligation

No payment or distribution shall be made by our Trustee for the discharge of any of our legal obligations, or otherwise for our monetary benefit.

e. Nonproductive Trust Property

While we are both living, our beneficiaries shall have the absolute right, at any time, to compel our Trustee to convert any nonproductive trust property to productive property. Our Trustee shall convert the property immediately after receiving written directions to that effect.

Section 10. Termination of the Lifetime Trust

This lifetime trust shall terminate upon the death of the second one of us to die, and the principal and any accrued and undistributed net income shall be distributed under the Articles that follow.

Article Four

Life Insurance

Section 1. Purchase of Life Insurance

Our Trustee may purchase and hold as trust property a policy or policies of insurance on either of our lives, our joint lives, the life of any trust beneficiary, or on the life of any person in whom any trust beneficiary has an insurable interest.

Our Trustee may also receive any such policies made as a gift to the trust, and thereafter may hold and deal with the policies as the owner.

Our Trustee shall have the following powers, which may be exercised by it in its sole and absolute discretion, in addition to all other powers granted a policy owner:

a. Automatic Premium Loans

Our Trustee shall have the power to execute or cancel any automatic premium loan agreement with respect to any policy, and shall have the power to elect or cancel any automatic premium loan provision in a life insurance policy.

b. Borrow for Premium Payments

Our Trustee may borrow money with which to pay premiums due on any policy either from the company issuing the policy or from any other source. Our Trustee may assign any such policy as security for the loan.

c. Exercise Option on a Policy

Our Trustee shall have the power to exercise any option contained in a policy with regard to any dividend or share of surplus apportioned to the policy.

d. Reduce or Convert a Policy

Our Trustee may reduce the amount of a policy or convert or exchange the policy.

e. Surrender a Policy

Our Trustee may surrender a policy at any time for its cash value.

f. Elect Paid-Up Insurance

Our Trustee may elect any paid-up insurance or any extended-term insurance nonforfeiture option contained in a policy.

g. Sell Policies

Our Trustee shall have the power to sell policies at their fair market value to the insured or to anyone having an insurable interest in the policy.

h. Exercise All Other Rights, Options, or Benefits

Our Trustee shall have the right to exercise any other right, option, or benefit contained in a policy or permitted by the insurance company issuing that policy.

i. Rights upon Termination of Our Trust

Upon termination of our trust, our Trustee shall have the power to transfer and assign the policies held by the trust as a distribution of trust property.

Our Trustee shall make every effort to transfer any policy insuring a beneficiary's life to that beneficiary as part of that beneficiary's distributive share.

Section 2. The Death of an Insured

Upon the death of an insured, our Trustee shall make all appropriate after-death elections with respect to insurance policies on the life of the insured then held by the trust.

a. Collection of Insurance Proceeds

Upon the death of an insured, our Trustee shall make every effort to collect all sums made payable to our trust or our Trustee.

Our Trustee may, in its sole and absolute discretion, exercise any of the settlement options that may be available under the terms of a policy held by our trust. Our Trustee shall not be liable to any beneficiary for the settlement option ultimately selected.

b. Collection Proceedings

- Our Trustee may institute proceedings, whether in law or equity, administrative or otherwise, to enforce payment of such proceeds.

Our Trustee need not, except at its option, enter into or maintain any litigation or take action to enforce any payment until it has been indemnified to its satisfaction for all expenses and liabilities to which it, in its sole judgment, may be subjected.

Our Trustee is expressly authorized, in its sole and absolute discretion, to adjust, settle, and compromise any and all claims that may arise from the collection of any death proceeds. The decisions of our Trustee shall be binding and conclusive on all beneficiaries.

c. Liability of Payor

No person or entity which pays insurance proceeds to our Trustee as beneficiary shall be required to inquire into any of the provisions of our trust or to see to the application of any such proceeds by our Trustee.

The receipt of the proceeds by our Trustee shall relieve the payor of any further liability as a result of making such payment.

Article Five

Administration of Our Trust on the Death of a Trustmaker

Section 1. Purchase of Assets and Loans

Our Trustee is authorized to purchase and retain in the form received, as an addition to the trust, any property which is a part of the probate or trust estate of a deceased Trustmaker. In addition, our Trustee may make loans, with or without security, to such probate or trust estate. Our Trustee shall not be liable for any loss suffered by the trust as a result of the exercise of the powers granted in this Section.

Notwithstanding anything in this agreement to the contrary, our Trustee shall not have the power to use any trust property for the benefit of either of our estates as defined in Section 20.2042-1(b) of Title 26 of the Code of Federal Regulations, unless such property is included in a deceased Trustmaker's gross estate for federal estate tax purposes.

Section 2. Distributions of Amounts Included in a Trustmaker's Estate

Our Trustee shall distribute an amount equal to the value of any asset of this trust which is includible in a deceased Trustmaker's gross estate for federal estate tax purposes to the living trust of the deceased Trustmaker. The name of each Trustmaker's living trust, if any, is included on Schedule B of this agreement. Any amount so distributed shall be added to the property of the living trust and disposed of in accordance with its terms.

If either of us dies and a respective living trust is not in existence, our Trustee shall distribute the amount called for under this Section to the surviving Trustmaker. If there is no surviving Trustmaker, then the distribution shall be made to our descendants, per stirpes.

The value of any asset of our trust distributed under this Section shall be its value as finally determined for federal estate tax purposes.

Section 3. Administration of the Balance of the Trust Property

If one of us survives the other, the balance of the trust property shall continue to be held by our Trustee and administered in accordance with the prior provisions of this trust agreement. Upon the death of the survivor of us, or if neither of us survives the other, the balance of the trust property not disposed of under the prior provisions of this trust agreement shall be administered as provided in the Articles that follow.

Article Six

Generation-Skipping and Non-Generation-Skipping Trusts

Section 1. Division into Separate Shares

All trust property not previously distributed under the terms of our trust agreement shall be divided into as many shares as shall be necessary to create one equal share for each of our then living children and one equal share for each of our deceased children who has then living descendants.

Section 2. Creation of Exempt and Non-Exempt Shares for Children

If all trust property is not exempt from the generation-skipping tax, our Trustee shall divide the trust property constituting the trust share established in Section 1 above for each of our then living children into two separate shares of equal or unequal value, to permit allocation of generation-skipping tax exempt property to the share designated the "Exempt Share." The second share shall be designated the "Non-Exempt Share." Our Trustee shall allocate trust property to fund such shares as follows:

Our Trustee shall allocate to each child's Exempt Share such child's proportionate share (as determined in Section 1 of this Article) of trust property that is fully exempt from the generation-skipping tax.

Our Trustee shall allocate to each child's Non-Exempt Share such child's proportionate share (as determined in Section 1 of this Article) of the remaining trust property.

If all trust property is exempt from the generation-skipping tax, then all trust property constituting the trust share for each then living child of ours shall be allocated to the Exempt Share for such child and no Non-Exempt Share for such child shall be established.

Section 3. Division of Shares for Descendants of a Deceased Child

Our Trustee shall divide the trust property constituting the trust share established in Section 1 above for each of our deceased children who has then living descendants among such child's then living descendants, per stirpes, and establish a separate trust share for each of such descendants.

~~If all trust property is not exempt from the generation-skipping tax, our Trustee~~ shall then divide the trust property constituting the trust share established for each of such descendants into two separate shares of equal or unequal value, to permit allocation of generation-skipping tax exempt property to the share designated the "Exempt Share." The second share shall be designated the "Non-Exempt Share." Our Trustee shall allocate trust property to fund such shares as follows:

Our Trustee shall allocate to each such descendant's Exempt Share such descendant's proportionate share (as determined in the first paragraph of this Section 3) of trust property that is fully exempt from the generation-skipping-tax.

Our Trustee shall allocate to each such descendant's Non-Exempt Share such descendant's proportionate share (as determined in the first paragraph of this Section 3) of the remaining trust property.

If all trust property is exempt from the generation-skipping tax, then all trust property constituting the trust share for each such descendant shall be allocated to the Exempt Share for such descendant and no Non-Exempt Share for such descendant shall be established.

Notwithstanding the foregoing provisions of this Section 3, if all trust property is not exempt from the generation-skipping tax, then property that is exempt from the generation-skipping tax shall be allocated to the trust shares above established for our then living children before any trust property that is exempt from the generation-skipping tax is allocated under this Section 3 to the trust shares established for the then living descendants of a deceased child of ours, it being our intention that the trust shares of our then living children should be fully funded with property that is exempt from the generation-skipping tax before any such property is used to fund the shares for the then living descendants of a deceased child of ours pursuant to this Section 3.

Section 4. Administration of Shares

Separate accounts shall be maintained for each beneficiary's Exempt Share and Non-Exempt Share.

All trust shares established under this Article Six shall be administered and distributed as provided in Article Seven.

Article Seven

Distribution of Our Trust Property

~~Section 1. Distribution of Trust Shares for Each Child~~

The Exempt Share and the Non-Exempt Share of each child of ours who shall then be living shall be administered and distributed as follows:

a. Distribution of Exempt Share for ELIZABETH MARY FREI-PEARSON

The Exempt Share for ELIZABETH MARY FREI-PEARSON shall be held in trust and administered and distributed as follows:

1. Distributions of Net Income of the Exempt Share

Our Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, ELIZABETH MARY FREI-PEARSON as much of the net income from her Exempt Share as our Trustee deems advisable for the education, health, maintenance, and support of ELIZABETH MARY FREI-PEARSON.

2. Distributions of Principal of the Exempt Share

Our Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, ELIZABETH MARY FREI-PEARSON as much of the principal from her Exempt Share as our Trustee deems advisable for the education, health, maintenance, and support of ELIZABETH MARY FREI-PEARSON.

3. Guidelines for Discretionary Distributions from the Exempt Share

To the extent that we have given our Trustee any discretionary authority over the distribution of income or principal from the Exempt Share to ELIZABETH MARY FREI-PEARSON it is our desire that our Trustee be liberal in exercising such discretion.

In making discretionary distributions to ELIZABETH MARY FREI-PEARSON, our Trustee shall be mindful of, and take into consideration to the extent it deems necessary, any additional sources of income and principal available to ELIZABETH MARY FREI-PEARSON which arise outside of this agreement and are known to our Trustee, and also the income and principal available to ELIZABETH MARY FREI-PEARSON from her Non-Exempt Share.

It is our express desire that our Trustee take into consideration the future probable needs of ELIZABETH MARY FREI-PEARSON prior to making any discretionary distributions hereunder.

4. Distribution of the Exempt Share on the Death of ELIZABETH MARY FREI-PEARSON

Upon the death of ELIZABETH MARY FREI-PEARSON, any property in her Exempt Share shall be distributed to or for the benefit of the descendants of ELIZABETH MARY FREI-PEARSON as ELIZABETH MARY FREI-PEARSON shall appoint either by a valid last will and testament or by a valid living trust agreement.

ELIZABETH MARY FREI-PEARSON may make distributions among her descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as she shall determine. This limited testamentary power shall not be exercised in favor of her estate or the creditors of her estate.

To the extent that ELIZABETH MARY FREI-PEARSON shall fail to exercise this limited testamentary power of appointment, any property in her Exempt Share shall be

divided and allocated to ELIZABETH MARY FREI-PEARSON'S then living descendants, per stirpes, to be held and administered in separate Exempt Shares for each of such descendants in accordance with subsection 5 below.

If ELIZABETH MARY FREI-PEARSON has no then living descendants, any property in her Exempt Share shall be ~~divided and allocated to our then living descendants, per stirpes,~~ to be added to the Exempt Shares being held and administered for each of such descendants or, if no Exempt Share is being held for a descendant, to be held for that descendant in an Exempt Share in accordance with subsection 5 below.

If we have no then living descendants, our Trustee shall distribute such trust property as provided in Article Eight of this agreement.

5. Distribution of Exempt Shares for Descendants

Any Exempt Shares established pursuant to subsection 4 above or pursuant to this subsection 5 shall be held and administered upon the same terms and provisions set forth in this Section 1 that governed the Exempt Share for ELIZABETH MARY FREI-PEARSON during her lifetime.

Upon the death of any beneficiary for whom an Exempt Share shall have been established pursuant to subsection 4 or this subsection 5, any property in such beneficiary's Exempt Share shall be distributed to or for the benefit of the descendants of such beneficiary as such beneficiary shall appoint either by a valid last will and testament or by a valid living trust agreement.

Such beneficiary may make distributions among his or her descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as such beneficiary shall determine. This limited testamentary power shall not be exercised in favor of the estate or the creditors of the estate of such beneficiary.

To the extent that any such beneficiary shall fail to exercise this limited testamentary power of appointment, any property

in the Exempt Share of such beneficiary shall be divided and allocated to such beneficiary's then living descendants, per stirpes, to be held and administered in separate Exempt Shares for each of such descendants.

Upon the death of the descendants of such beneficiary for whom Exempt Shares shall have been established, and upon ~~the death of their descendants for whom Exempt Shares shall~~ have been established, generation to generation, until the expiration of the period described in Section 2 of Article Thirteen of this agreement, Exempt Shares shall be established for the descendants of a deceased beneficiary, per stirpes, and held and administered pursuant to the provisions of this subsection 5. Upon the expiration of the period described in Section 2 of Article Thirteen, such shares shall be distributed as therein provided.

If any beneficiary of an Exempt Share established pursuant to subsection 4 or this subsection 5 has no descendants living at his or her death, any property in the Exempt Share of such beneficiary shall be divided and allocated to the then living descendants of the marriage of the parents of such beneficiary, per stirpes, and, if there are no then living descendants of the marriage of the parents of such beneficiary, to the then living descendants of ELIZABETH MARY FREI-PEARSON, per stirpes, and if there are no then living descendants of ELIZABETH MARY FREI-PEARSON, to our then living descendants, per stirpes, in each case to be added to the Exempt Share being held or administered for each of such descendants or if no Exempt Share is being held for a descendant, to be held for that descendant in an Exempt Share in accordance with this subsection 5.

If we have no then living descendants, our Trustee shall distribute such trust property as provided in Article Eight of this agreement.

b. Distribution of the Non-Exempt Share for ELIZABETH MARY FREI-PEARSON

The Non-Exempt Share for ELIZABETH MARY FREI-PEARSON shall be distributed as follows:

1. Distribution of the Non-Exempt Share

The trust share set aside for ELIZABETH MARY FREI-PEARSON shall forthwith terminate and our Trustee shall distribute all undistributed net income and principal to ELIZABETH MARY FREI-PEARSON, free of the trust.

2. Distribution of the Non-Exempt Share on the Death of ELIZABETH MARY FREI-PEARSON

ELIZABETH MARY FREI-PEARSON shall have the unlimited and unrestricted testamentary general power to appoint, by a valid last will and testament or by a valid living trust agreement, any property remaining in her Non-Exempt Share, the distribution of which would otherwise constitute a taxable generation-skipping transfer. In exercising this testamentary general power of appointment, ELIZABETH MARY FREI-PEARSON shall specifically refer to this power.

ELIZABETH MARY FREI-PEARSON shall have the sole and exclusive right to exercise this testamentary general power of appointment.

This testamentary general power of appointment specifically grants to ELIZABETH MARY FREI-PEARSON the right to appoint property to her own estate. It also specifically grants to ELIZABETH MARY FREI-PEARSON the right to appoint the property among persons, corporations, or other entities in equal or unequal proportions, and on such terms and conditions, whether outright or in trust, as she may elect.

Any property in the Non-Exempt Share of ELIZABETH MARY FREI-PEARSON which is not distributed pursuant to the exercise of this testamentary general power of appointment or is not subject to such power because it is not taxable as a generation-skipping transfer shall be distributed to the then living descendants of ELIZABETH MARY FREI-PEARSON, per stirpes.

If ELIZABETH MARY FREI-PEARSON has no then living descendants, our Trustee shall distribute the balance of the property of the Non-Exempt Share to our then living

descendants, per stirpes.

If we have no then living descendants, our Trustee shall distribute the remaining trust property as provided in Article Eight of this agreement.

~~c. Distribution of Exempt Share for EMIL FREI, IV~~

The Exempt Share for EMIL FREI, IV shall be held in trust and administered and distributed as follows:

1. Distributions of Net Income of the Exempt Share

Our Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, EMIL FREI, IV as much of the net income from his Exempt Share as our Trustee deems advisable for the education, health, maintenance, and support of EMIL FREI, IV.

2. Distributions of Principal of the Exempt Share

Our Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, EMIL FREI, IV as much of the principal from his Exempt Share as our Trustee deems advisable for the education, health, maintenance, and support of EMIL FREI, IV.

3. Guidelines for Discretionary Distributions from the Exempt Share

To the extent that we have given our Trustee any discretionary authority over the distribution of income or principal from the Exempt Share to EMIL FREI, IV it is our desire that our Trustee be liberal in exercising such discretion.

In making discretionary distributions to EMIL FREI, IV, our Trustee shall be mindful of, and take into consideration to the extent it deems necessary, any additional sources of income and principal available to EMIL FREI, IV which arise outside of this agreement and are known to our Trustee, and also the

income and principal available to EMIL FREI, IV from his Non-Exempt Share.

It is our express desire that our Trustee take into consideration the future probable needs of EMIL FREI, IV prior to making any discretionary distributions hereunder.

4. Distribution of the Exempt Share on the Death of EMIL FREI, IV

Upon the death of EMIL FREI, IV, any property in his Exempt Share shall be distributed to or for the benefit of the descendants of EMIL FREI, IV as EMIL FREI, IV shall appoint either by a valid last will and testament or by a valid living trust agreement.

EMIL FREI, IV may make distributions among his descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as he shall determine. This limited testamentary power shall not be exercised in favor of his estate or the creditors of his estate.

To the extent that EMIL FREI, IV shall fail to exercise this limited testamentary power of appointment, any property in his Exempt Share shall be divided and allocated to EMIL FREI, IV'S then living descendants, per stirpes, to be held and administered in separate Exempt Shares for each of such descendants in accordance with subsection 5 below.

If EMIL FREI, IV has no then living descendants, any property in his Exempt Share shall be divided and allocated to our then living descendants, per stirpes, to be added to the Exempt Shares being held and administered for each of such descendants or, if no Exempt Share is being held for a descendant, to be held for that descendant in an Exempt Share in accordance with subsection 5 below.

If we have no then living descendants, our Trustee shall distribute such trust property as provided in Article Eight of this agreement.

5. Distribution of Exempt Shares for Descendants

Any Exempt Shares established pursuant to subsection 4 above or pursuant to this subsection 5 shall be held and administered upon the same terms and provisions set forth in this Section 1 that governed the Exempt Share for EMIL FREI, IV during his lifetime.

Upon the death of any beneficiary for whom an Exempt Share shall have been established pursuant to subsection 4 or this subsection 5, any property in such beneficiary's Exempt Share shall be distributed to or for the benefit of the descendants of such beneficiary as such beneficiary shall appoint either by a valid last will and testament or by a valid living trust agreement.

Such beneficiary may make distributions among his or her descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as such beneficiary shall determine. This limited testamentary power shall not be exercised in favor of the estate or the creditors of the estate of such beneficiary.

To the extent that any such beneficiary shall fail to exercise this limited testamentary power of appointment, any property in the Exempt Share of such beneficiary shall be divided and allocated to such beneficiary's then living descendants, per stirpes, to be held and administered in separate Exempt Shares for each of such descendants.

Upon the death of the descendants of such beneficiary for whom Exempt Shares shall have been established, and upon the death of their descendants for whom Exempt Shares shall have been established, generation to generation, until the expiration of the period described in Section 2 of Article Thirteen of this agreement, Exempt Shares shall be established for the descendants of a deceased beneficiary, per stirpes, and held and administered pursuant to the provisions of this subsection 5. Upon the expiration of the period described in Section 2 of Article Thirteen, such shares shall be distributed as therein provided.

If any beneficiary of an Exempt Share established pursuant to subsection 4 or this subsection 5 has no descendants living at

his or her death, any property in the Exempt Share of such beneficiary shall be divided and allocated to the then living descendants of the marriage of the parents of such beneficiary, per stirpes, and, if there are no then living descendants of the marriage of the parents of such beneficiary, to the then living descendants of EMIL FREI, IV, per stirpes, and if there are no then living descendants of EMIL FREI, IV, to our then living descendants, per stirpes, in each case to be added to the Exempt Share being held or administered for each of such descendants or if no Exempt Share is being held for a descendant, to be held for that descendant in an Exempt Share in accordance with this subsection 5.

If we have no then living descendants, our Trustee shall distribute such trust property as provided in Article Eight of this agreement.

d. Distribution of the Non-Exempt Share for EMIL FREI, IV

The Non-Exempt Share for EMIL FREI, IV shall be distributed as follows:

1. Distribution of the Non-Exempt Share

The trust share set aside for EMIL FREI, IV shall forthwith terminate and our Trustee shall distribute all undistributed net income and principal to EMIL FREI, IV, free of the trust.

2. Distribution of the Non-Exempt Share on the Death of EMIL FREI, IV

EMIL FREI, IV shall have the unlimited and unrestricted testamentary general power to appoint, by a valid last will and testament or by a valid living trust agreement, any property remaining in his Non-Exempt Share, the distribution of which would otherwise constitute a taxable generation-skipping transfer. In exercising this testamentary general power of appointment, EMIL FREI, IV shall specifically refer to this power.

EMIL FREI, IV shall have the sole and exclusive right to

exercise this testamentary general power of appointment.

This testamentary general power of appointment specifically grants to EMIL FREI, IV the right to appoint property to his own estate. It also specifically grants to EMIL FREI, IV the right to appoint the property among persons, corporations, or other entities in equal or unequal proportions, and on such ~~terms and conditions, whether outright or in trust, as he may~~ elect.

Any property in the Non-Exempt Share of EMIL FREI, IV which is not distributed pursuant to the exercise of this testamentary general power of appointment or is not subject to such power because it is not taxable as a generation-skipping transfer shall be distributed to the then living descendants of EMIL FREI, IV, per stirpes.

If EMIL FREI, IV has no then living descendants, our Trustee shall distribute the balance of the property of the Non-Exempt Share to our then living descendants, per stirpes.

If we have no then living descendants, our Trustee shall distribute the remaining trust property as provided in Article Eight of this agreement.

e. Distribution of Exempt Share for ALICE C. FREI

The Exempt Share for ALICE C. FREI shall be held in trust and administered and distributed as follows:

1. Distributions of Net Income of the Exempt Share

Our Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, ALICE C. FREI as much of the net income from her Exempt Share as our Trustee deems advisable for the education, health, maintenance, and support of ALICE C. FREI.

2. Distributions of Principal of the Exempt Share

Our Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, ALICE C. FREI as much of the principal from her Exempt Share as our Trustee deems advisable for the education, health, maintenance, and support of ALICE C. FREI.

3. Guidelines for Discretionary Distributions from the Exempt Share

To the extent that we have given our Trustee any discretionary authority over the distribution of income or principal from the Exempt Share to ALICE C. FREI it is our desire that our Trustee be liberal in exercising such discretion.

In making discretionary distributions to ALICE C. FREI, our Trustee shall be mindful of, and take into consideration to the extent it deems necessary, any additional sources of income and principal available to ALICE C. FREI which arise outside of this agreement and are known to our Trustee, and also the income and principal available to ALICE C. FREI from her Non-Exempt Share.

It is our express desire that our Trustee take into consideration the future probable needs of ALICE C. FREI prior to making any discretionary distributions hereunder.

4. Distribution of the Exempt Share on the Death of ALICE C. FREI

Upon the death of ALICE C. FREI, any property in her Exempt Share shall be distributed to or for the benefit of the descendants of ALICE C. FREI as ALICE C. FREI shall appoint either by a valid last will and testament or by a valid living trust agreement.

ALICE C. FREI may make distributions among her descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as she shall determine. This limited testamentary power shall not be exercised in favor of her estate or the creditors of her estate.

To the extent that ALICE C. FREI shall fail to exercise this limited testamentary power of appointment, any property in her Exempt Share shall be divided and allocated to ALICE C. FREI'S then living descendants, per stirpes, to be held and administered in separate Exempt Shares for each of such descendants in accordance with subsection 5 below.

~~If ALICE C. FREI has no then living descendants, any~~ property in her Exempt Share shall be divided and allocated to our then living descendants, per stirpes, to be added to the Exempt Shares being held and administered for each of such descendants or, if no Exempt Share is being held for a descendant, to be held for that descendant in an Exempt Share in accordance with subsection 5 below.

If we have no then living descendants, our Trustee shall distribute such trust property as provided in Article Eight of this agreement.

5. Distribution of Exempt Shares for Descendants

Any Exempt Shares established pursuant to subsection 4 above or pursuant to this subsection 5 shall be held and administered upon the same terms and provisions set forth in this Section 1 that governed the Exempt Share for ALICE C. FREI during her lifetime.

Upon the death of any beneficiary for whom an Exempt Share shall have been established pursuant to subsection 4 or this subsection 5, any property in such beneficiary's Exempt Share shall be distributed to or for the benefit of the descendants of such beneficiary as such beneficiary shall appoint either by a valid last will and testament or by a valid living trust agreement.

Such beneficiary may make distributions among his or her descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as such beneficiary shall determine. This limited testamentary power shall not be exercised in favor of the estate or the creditors of the estate of such beneficiary.

To the extent that any such beneficiary shall fail to exercise

this limited testamentary power of appointment, any property in the Exempt Share of such beneficiary shall be divided and allocated to such beneficiary's then living descendants, per stirpes, to be held and administered in separate Exempt Shares for each of such descendants.

Upon the death of the descendants of such beneficiary for whom Exempt Shares shall have been established, and upon the death of their descendants for whom Exempt Shares shall have been established, generation to generation, until the expiration of the period described in Section 2 of Article Thirteen of this agreement, Exempt Shares shall be established for the descendants of a deceased beneficiary, per stirpes, and held and administered pursuant to the provisions of this subsection 5. Upon the expiration of the period described in Section 2 of Article Thirteen, such shares shall be distributed as therein provided.

If any beneficiary of an Exempt Share established pursuant to subsection 4 or this subsection 5 has no descendants living at his or her death, any property in the Exempt Share of such beneficiary shall be divided and allocated to the then living descendants of the marriage of the parents of such beneficiary, per stirpes, and, if there are no then living descendants of the marriage of the parents of such beneficiary, to the then living descendants of ALICE C. FREI, per stirpes, and if there are no then living descendants of ALICE C. FREI, to our then living descendants, per stirpes, in each case to be added to the Exempt Share being held or administered for each of such descendants or if no Exempt Share is being held for a descendant, to be held for that descendant in an Exempt Share in accordance with this subsection 5.

If we have no then living descendants, our Trustee shall distribute such trust property as provided in Article Eight of this agreement.

f. Distribution of the Non-Exempt Share for ALICE C. FREI

The Non-Exempt Share for ALICE C. FREI shall be distributed as follows:

1. Distribution of the Non-Exempt Share

The trust share set aside for ALICE C. FREI shall forthwith terminate and our Trustee shall distribute all undistributed net income and principal to ALICE C. FREI, free of the trust.

2. Distribution of the Non-Exempt Share on the Death of ALICE C. FREI

ALICE C. FREI shall have the unlimited and unrestricted testamentary general power to appoint, by a valid last will and testament or by a valid living trust agreement, any property remaining in her Non-Exempt Share, the distribution of which would otherwise constitute a taxable generation-skipping transfer. In exercising this testamentary general power of appointment, ALICE C. FREI shall specifically refer to this power.

ALICE C. FREI shall have the sole and exclusive right to exercise this testamentary general power of appointment.

This testamentary general power of appointment specifically grants to ALICE C. FREI the right to appoint property to her own estate. It also specifically grants to ALICE C. FREI the right to appoint the property among persons, corporations, or other entities in equal or unequal proportions, and on such terms and conditions, whether outright or in trust, as she may elect.

Any property in the Non-Exempt Share of ALICE C. FREI which is not distributed pursuant to the exercise of this testamentary general power of appointment or is not subject to such power because it is not taxable as a generation-skipping transfer shall be distributed to the then living descendants of ALICE C. FREI, per stirpes.

If ALICE C. FREI has no then living descendants, our Trustee shall distribute the balance of the property of the Non-Exempt Share to our then living descendants, per stirpes.

If we have no then living descendants, our Trustee shall distribute the remaining trust property as provided in Article Eight of this agreement.

g. Distribution of Exempt Share for NANCY FREI

The Exempt Share for NANCY FREI shall be held in trust and administered and distributed as follows:

1. Distributions of Net Income of the Exempt Share

Our Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, NANCY FREI as much of the net income from her Exempt Share as our Trustee deems advisable for the education, health, maintenance, and support of NANCY FREI.

2. Distributions of Principal of the Exempt Share

Our Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, NANCY FREI as much of the principal from her Exempt Share as our Trustee deems advisable for the education, health, maintenance, and support of NANCY FREI.

3. Guidelines for Discretionary Distributions from the Exempt Share

To the extent that we have given our Trustee any discretionary authority over the distribution of income or principal from the Exempt Share to NANCY FREI it is our desire that our Trustee be liberal in exercising such discretion.

In making discretionary distributions to NANCY FREI, our Trustee shall be mindful of, and take into consideration to the extent it deems necessary, any additional sources of income and principal available to NANCY FREI which arise outside of this agreement and are known to our Trustee, and also the income and principal available to NANCY FREI from her Non-Exempt Share.

It is our express desire that our Trustee take into consideration the future probable needs of NANCY FREI prior to making

any discretionary distributions hereunder.

4. Distribution of the Exempt Share on the Death of NANCY FREI

Upon the death of NANCY FREI, any property in her Exempt Share shall be distributed to or for the benefit of the descendants of NANCY FREI as NANCY FREI shall appoint either by a valid last will and testament or by a valid living trust agreement.

NANCY FREI may make distributions among her descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as she shall determine. This limited testamentary power shall not be exercised in favor of her estate or the creditors of her estate.

To the extent that NANCY FREI shall fail to exercise this limited testamentary power of appointment, any property in her Exempt Share shall be divided and allocated to NANCY FREI'S then living descendants, per stirpes, to be held and administered in separate Exempt Shares for each of such descendants in accordance with subsection 5 below.

If NANCY FREI has no then living descendants, any property in her Exempt Share shall be divided and allocated to our then living descendants, per stirpes, to be added to the Exempt Shares being held and administered for each of such descendants or, if no Exempt Share is being held for a descendant, to be held for that descendant in an Exempt Share in accordance with subsection 5 below.

If we have no then living descendants, our Trustee shall distribute such trust property as provided in Article Eight of this agreement.

5. Distribution of Exempt Shares for Descendants

Any Exempt Shares established pursuant to subsection 4 above or pursuant to this subsection 5 shall be held and administered upon the same terms and provisions set forth in this Section 1 that governed the Exempt Share for NANCY

FREI during her lifetime.

Upon the death of any beneficiary for whom an Exempt Share shall have been established pursuant to subsection 4 or this subsection 5, any property in such beneficiary's Exempt Share shall be distributed to or for the benefit of the descendants of such beneficiary as such beneficiary shall appoint either by a valid last will and testament or by a valid living trust agreement.

Such beneficiary may make distributions among his or her descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as such beneficiary shall determine. This limited testamentary power shall not be exercised in favor of the estate or the creditors of the estate of such beneficiary.

To the extent that any such beneficiary shall fail to exercise this limited testamentary power of appointment, any property in the Exempt Share of such beneficiary shall be divided and allocated to such beneficiary's then living descendants, per stirpes, to be held and administered in separate Exempt Shares for each of such descendants.

Upon the death of the descendants of such beneficiary for whom Exempt Shares shall have been established, and upon the death of their descendants for whom Exempt Shares shall have been established, generation to generation, until the expiration of the period described in Section 2 of Article Thirteen of this agreement, Exempt Shares shall be established for the descendants of a deceased beneficiary, per stirpes, and held and administered pursuant to the provisions of this subsection 5. Upon the expiration of the period described in Section 2 of Article Thirteen, such shares shall be distributed as therein provided.

If any beneficiary of an Exempt Share established pursuant to subsection 4 or this subsection 5 has no descendants living at his or her death, any property in the Exempt Share of such beneficiary shall be divided and allocated to the then living descendants of the marriage of the parents of such beneficiary, per stirpes, and, if there are no then living descendants of the marriage of the parents of such beneficiary, to the then living descendants of NANCY FREI, per stirpes, and if there are no

then living descendants of NANCY FREI, to our then living descendants, per stirpes, in each case to be added to the Exempt Share being held or administered for each of such descendants or if no Exempt Share is being held for a descendant, to be held for that descendant in an Exempt Share in accordance with this subsection 5.

~~If we have no then living descendants, our Trustee shall distribute such trust property as provided in Article Eight of this agreement.~~

h. Distribution of the Non-Exempt Share for NANCY FREI

The Non-Exempt Share for NANCY FREI shall be distributed as follows:

1. Distribution of the Non-Exempt Share

The trust share set aside for NANCY FREI shall forthwith terminate and our Trustee shall distribute all undistributed net income and principal to NANCY FREI, free of the trust.

2. Distribution of the Non-Exempt Share on the Death of NANCY FREI

NANCY FREI shall have the unlimited and unrestricted testamentary general power to appoint, by a valid last will and testament or by a valid living trust agreement, any property remaining in her Non-Exempt Share, the distribution of which would otherwise constitute a taxable generation-skipping transfer. In exercising this testamentary general power of appointment, NANCY FREI shall specifically refer to this power.

NANCY FREI shall have the sole and exclusive right to exercise this testamentary general power of appointment.

This testamentary general power of appointment specifically grants to NANCY FREI the right to appoint property to her own estate. It also specifically grants to NANCY FREI the right to appoint the property among persons, corporations, or

other entities in equal or unequal proportions, and on such terms and conditions, whether outright or in trust, as she may elect.

Any property in the Non-Exempt Share of NANCY FREI which is not distributed pursuant to the exercise of this testamentary general power of appointment or is not subject to ~~such power because it is not taxable as a generation-skipping~~ transfer shall be distributed to the then living descendants of NANCY FREI, per stirpes.

If NANCY FREI has no then living descendants, our Trustee shall distribute the balance of the property of the Non-Exempt Share to our then living descendants, per stirpes.

If we have no then living descendants, our Trustee shall distribute the remaining trust property as provided in Article Eight of this agreement.

i. Distribution of Exempt Share for JUDITH FREI-HOWE

The Exempt Share for JUDITH FREI-HOWE shall be held in trust and administered and distributed as follows:

1. Distributions of Net Income of the Exempt Share

Our Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, JUDITH FREI-HOWE as much of the net income from her Exempt Share as our Trustee deems advisable for the education, health, maintenance, and support of JUDITH FREI-HOWE.

2. Distributions of Principal of the Exempt Share

Our Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, JUDITH FREI-HOWE as much of the principal from her Exempt Share as our Trustee deems advisable for the education, health, maintenance, and support of JUDITH FREI-HOWE.

3. Guidelines for Discretionary Distributions from the Exempt Share

To the extent that we have given our Trustee any discretionary authority over the distribution of income or principal from the Exempt Share to JUDITH FREI-HOWE it is our desire that our Trustee be liberal in exercising such discretion.

In making discretionary distributions to JUDITH FREI-HOWE, our Trustee shall be mindful of, and take into consideration to the extent it deems necessary, any additional sources of income and principal available to JUDITH FREI-HOWE which arise outside of this agreement and are known to our Trustee, and also the income and principal available to JUDITH FREI-HOWE from her Non-Exempt Share.

It is our express desire that our Trustee take into consideration the future probable needs of JUDITH FREI-HOWE prior to making any discretionary distributions hereunder.

4. Distribution of the Exempt Share on the Death of JUDITH FREI-HOWE

Upon the death of JUDITH FREI-HOWE, any property in her Exempt Share shall be distributed to or for the benefit of the descendants of JUDITH FREI-HOWE as JUDITH FREI-HOWE shall appoint either by a valid last will and testament or by a valid living trust agreement.

JUDITH FREI-HOWE may make distributions among her descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as she shall determine. This limited testamentary power shall not be exercised in favor of her estate or the creditors of her estate.

To the extent that JUDITH FREI-HOWE shall fail to exercise this limited testamentary power of appointment, any property in her Exempt Share shall be divided and allocated to JUDITH FREI-HOWE'S then living descendants, per stirpes, to be held and administered in separate Exempt Shares for each of such descendants in accordance with subsection 5 below.

If JUDITH FREI-HOWE has no then living descendants, any property in her Exempt Share shall be divided and allocated to our then living descendants, per stirpes, to be added to the Exempt Shares being held and administered for each of such descendants or, if no Exempt Share is being held for a descendant, to be held for that descendant in an Exempt Share in accordance with subsection 5 below.

If we have no then living descendants, our Trustee shall distribute such trust property as provided in Article Eight of this agreement.

5. Distribution of Exempt Shares for Descendants

Any Exempt Shares established pursuant to subsection 4 above or pursuant to this subsection 5 shall be held and administered upon the same terms and provisions set forth in this Section 1 that governed the Exempt Share for JUDITH FREI-HOWE during her lifetime.

Upon the death of any beneficiary for whom an Exempt Share shall have been established pursuant to subsection 4 or this subsection 5, any property in such beneficiary's Exempt Share shall be distributed to or for the benefit of the descendants of such beneficiary as such beneficiary shall appoint either by a valid last will and testament or by a valid living trust agreement.

Such beneficiary may make distributions among his or her descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as such beneficiary shall determine. This limited testamentary power shall not be exercised in favor of the estate or the creditors of the estate of such beneficiary.

To the extent that any such beneficiary shall fail to exercise this limited testamentary power of appointment, any property in the Exempt Share of such beneficiary shall be divided and allocated to such beneficiary's then living descendants, per stirpes, to be held and administered in separate Exempt Shares for each of such descendants.

Upon the death of the descendants of such beneficiary for

whom Exempt Shares shall have been established, and upon the death of their descendants for whom Exempt Shares shall have been established, generation to generation, until the expiration of the period described in Section 2 of Article Thirteen of this agreement, Exempt Shares shall be established for the descendants of a deceased beneficiary, per stirpes, and held and administered pursuant to the provisions of this subsection 5. Upon the expiration of the period described in Section 2 of Article Thirteen, such shares shall be distributed as therein provided.

If any beneficiary of an Exempt Share established pursuant to subsection 4 or this subsection 5 has no descendants living at his or her death, any property in the Exempt Share of such beneficiary shall be divided and allocated to the then living descendants of the marriage of the parents of such beneficiary, per stirpes, and, if there are no then living descendants of the marriage of the parents of such beneficiary, to the then living descendants of JUDITH FREI-HOWE, per stirpes, and if there are no then living descendants of JUDITH FREI-HOWE, to our then living descendants, per stirpes, in each case to be added to the Exempt Share being held or administered for each of such descendants or if no Exempt Share is being held for a descendant, to be held for that descendant in an Exempt Share in accordance with this subsection 5.

If we have no then living descendants, our Trustee shall distribute such trust property as provided in Article Eight of this agreement.

j. Distribution of the Non-Exempt Share for JUDITH FREI-HOWE

The Non-Exempt Share for JUDITH FREI-HOWE shall be distributed as follows:

1. Distribution of the Non-Exempt Share

The trust share set aside for JUDITH FREI-HOWE shall forthwith terminate and our Trustee shall distribute all undistributed net income and principal to JUDITH FREI-

HOWE, free of the trust.

2. Distribution of the Non-Exempt Share on the Death of JUDITH FREI-HOWE

JUDITH FREI-HOWE shall have the unlimited and ~~unrestricted testamentary general power to appoint, by a valid~~ last will and testament or by a valid living trust agreement, any property remaining in her Non-Exempt Share, the distribution of which would otherwise constitute a taxable generation-skipping transfer. In exercising this testamentary general power of appointment, JUDITH FREI-HOWE shall specifically refer to this power.

JUDITH FREI-HOWE shall have the sole and exclusive right to exercise this testamentary general power of appointment.

This testamentary general power of appointment specifically grants to JUDITH FREI-HOWE the right to appoint property to her own estate. It also specifically grants to JUDITH FREI-HOWE the right to appoint the property among persons, corporations, or other entities in equal or unequal proportions, and on such terms and conditions, whether outright or in trust, as she may elect.

Any property in the Non-Exempt Share of JUDITH FREI-HOWE which is not distributed pursuant to the exercise of this testamentary general power of appointment or is not subject to such power because it is not taxable as a generation-skipping transfer shall be distributed to the then living descendants of JUDITH FREI-HOWE, per stirpes.

If JUDITH FREI-HOWE has no then living descendants, our Trustee shall distribute the balance of the property of the Non-Exempt Share to our then living descendants, per stirpes.

If we have no then living descendants, our Trustee shall distribute the remaining trust property as provided in Article Eight of this agreement.

k. **Distribution of Exempt Share for STEPHEN MARTIN BROCK**

The Exempt Share for STEPHEN MARTIN BROCK shall be held in trust and administered and distributed as follows:

1. ~~Distributions of Net Income of the Exempt Share~~

Our Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, STEPHEN MARTIN BROCK as much of the net income from his Exempt Share as our Trustee deems advisable for the education, health, maintenance, and support of STEPHEN MARTIN BROCK.

2. Distributions of Principal of the Exempt Share

Our Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, STEPHEN MARTIN BROCK as much of the principal from his Exempt Share as our Trustee deems advisable for the education, health, maintenance, and support of STEPHEN MARTIN BROCK.

3. Guidelines for Discretionary Distributions from the Exempt Share

To the extent that we have given our Trustee any discretionary authority over the distribution of income or principal from the Exempt Share to STEPHEN MARTIN BROCK it is our desire that our Trustee be liberal in exercising such discretion.

In making discretionary distributions to STEPHEN MARTIN BROCK, our Trustee shall be mindful of, and take into consideration to the extent it deems necessary, any additional sources of income and principal available to STEPHEN MARTIN BROCK which arise outside of this agreement and are known to our Trustee, and also the income and principal available to STEPHEN MARTIN BROCK from his Non-Exempt Share.

It is our express desire that our Trustee take into consideration the future probable needs of STEPHEN MARTIN BROCK

prior to making any discretionary distributions hereunder.

4. Distribution of the Exempt Share on the Death of STEPHEN MARTIN BROCK

Upon the death of STEPHEN MARTIN BROCK, any ~~property in his Exempt Share shall be distributed to or for the~~ benefit of the descendants of STEPHEN MARTIN BROCK as STEPHEN MARTIN BROCK shall appoint either by a valid last will and testament or by a valid living trust agreement.

STEPHEN MARTIN BROCK may make distributions among his descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as he shall determine. This limited testamentary power shall not be exercised in favor of his estate or the creditors of his estate.

To the extent that STEPHEN MARTIN BROCK shall fail to exercise this limited testamentary power of appointment, any property in his Exempt Share shall be divided and allocated to STEPHEN MARTIN BROCK'S then living descendants, per stirpes, to be held and administered in separate Exempt Shares for each of such descendants in accordance with subsection 5 below.

If STEPHEN MARTIN BROCK has no then living descendants, any property in his Exempt Share shall be divided and allocated to our then living descendants, per stirpes, to be added to the Exempt Shares being held and administered for each of such descendants or, if no Exempt Share is being held for a descendant, to be held for that descendant in an Exempt Share in accordance with subsection 5 below.

If we have no then living descendants, our Trustee shall distribute such trust property as provided in Article Eight of this agreement.

5. Distribution of Exempt Shares for Descendants

Any Exempt Shares established pursuant to subsection 4 above or pursuant to this subsection 5 shall be held and administered upon the same terms and provisions set forth in this Section 1 that governed the Exempt Share for STEPHEN MARTIN BROCK during his lifetime.

Upon the death of any beneficiary for whom an Exempt Share shall have been established pursuant to subsection 4 or this subsection 5, any property in such beneficiary's Exempt Share shall be distributed to or for the benefit of the descendants of such beneficiary as such beneficiary shall appoint either by a valid last will and testament or by a valid living trust agreement.

Such beneficiary may make distributions among his or her descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as such beneficiary shall determine. This limited testamentary power shall not be exercised in favor of the estate or the creditors of the estate of such beneficiary.

To the extent that any such beneficiary shall fail to exercise this limited testamentary power of appointment, any property in the Exempt Share of such beneficiary shall be divided and allocated to such beneficiary's then living descendants, per stirpes, to be held and administered in separate Exempt Shares for each of such descendants.

Upon the death of the descendants of such beneficiary for whom Exempt Shares shall have been established, and upon the death of their descendants for whom Exempt Shares shall have been established, generation to generation, until the expiration of the period described in Section 2 of Article Thirteen of this agreement, Exempt Shares shall be established for the descendants of a deceased beneficiary, per stirpes, and held and administered pursuant to the provisions of this subsection 5. Upon the expiration of the period described in Section 2 of Article Thirteen, such shares shall be distributed as therein provided.

If any beneficiary of an Exempt Share established pursuant to subsection 4 or this subsection 5 has no descendants living at

his or her death, any property in the Exempt Share of such beneficiary shall be divided and allocated to the then living descendants of the marriage of the parents of such beneficiary, per stirpes, and, if there are no then living descendants of the marriage of the parents of such beneficiary, to the then living descendants of STEPHEN MARTIN BROCK, per stirpes, and if there are no then living descendants of STEPHEN MARTIN BROCK, to our then living descendants, per stirpes,

- in each case to be added to the Exempt Share being held or administered for each of such descendants or if no Exempt Share is being held for a descendant, to be held for that descendant in an Exempt Share in accordance with this subsection 5.

- If we have no then living descendants, our Trustee shall distribute such trust property as provided in Article Eight of this agreement.

1. Distribution of the Non-Exempt Share for STEPHEN MARTIN BROCK

The Non-Exempt Share for STEPHEN MARTIN BROCK shall be distributed as follows:

1. Distribution of the Non-Exempt Share

The trust share set aside for STEPHEN MARTIN BROCK shall forthwith terminate and our Trustee shall distribute all undistributed net income and principal to STEPHEN MARTIN BROCK, free of the trust.

2. Distribution of the Non-Exempt Share on the Death of STEPHEN MARTIN BROCK

STEPHEN MARTIN BROCK shall have the unlimited and unrestricted testamentary general power to appoint, by a valid last will and testament or by a valid living trust agreement, any property remaining in his Non-Exempt Share, the distribution of which would otherwise constitute a taxable generation-skipping transfer. In exercising this testamentary general power of appointment, STEPHEN MARTIN BROCK shall

specifically refer to this power.

STEPHEN MARTIN BROCK shall have the sole and exclusive right to exercise this testamentary general power of appointment.

This testamentary general power of appointment specifically grants to STEPHEN MARTIN BROCK the right to appoint property to his own estate. It also specifically grants to STEPHEN MARTIN BROCK the right to appoint the property among persons, corporations, or other entities in equal or unequal proportions, and on such terms and conditions, whether outright or in trust, as he may elect.

Any property in the Non-Exempt Share of STEPHEN MARTIN BROCK which is not distributed pursuant to the exercise of this testamentary general power of appointment or is not subject to such power because it is not taxable as a generation-skipping transfer shall be distributed to the then living descendants of STEPHEN MARTIN BROCK, per stirpes.

If STEPHEN MARTIN BROCK has no then living descendants, our Trustee shall distribute the balance of the property of the Non-Exempt Share to our then living descendants, per stirpes.

If we have no then living descendants, our Trustee shall distribute the remaining trust property as provided in Article Eight of this agreement.

m. Distribution of Exempt Share for FRANCIS CHRISTOPHER BROCK

The Exempt Share for FRANCIS CHRISTOPHER BROCK shall be held in trust and administered and distributed as follows:

1. Distributions of Net Income of the Exempt Share

Our Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, FRANCIS CHRISTOPHER BROCK as much of the net income from his Exempt Share as our Trustee

deems advisable for the education, health, maintenance, and support of FRANCIS CHRISTOPHER BROCK.

2. Distributions of Principal of the Exempt Share

Our Trustee, in its sole and absolute discretion, shall apply to,
or for the benefit of, FRANCIS CHRISTOPHER BROCK as much of the principal from his Exempt Share as our Trustee deems advisable for the education, health, maintenance, and support of FRANCIS CHRISTOPHER BROCK.

3. Guidelines for Discretionary Distributions from the Exempt Share

To the extent that we have given our Trustee any discretionary authority over the distribution of income or principal from the Exempt Share to FRANCIS CHRISTOPHER BROCK it is our desire that our Trustee be liberal in exercising such discretion.

In making discretionary distributions to FRANCIS CHRISTOPHER BROCK, our Trustee shall be mindful of, and take into consideration to the extent it deems necessary, any additional sources of income and principal available to FRANCIS CHRISTOPHER BROCK which arise outside of this agreement and are known to our Trustee, and also the income and principal available to FRANCIS CHRISTOPHER BROCK from his Non-Exempt Share.

It is our express desire that our Trustee take into consideration the future probable needs of FRANCIS CHRISTOPHER BROCK prior to making any discretionary distributions hereunder.

4. Distribution of the Exempt Share on the Death of FRANCIS CHRISTOPHER BROCK

Upon the death of FRANCIS CHRISTOPHER BROCK, any property in his Exempt Share shall be distributed to or for the benefit of the descendants of FRANCIS CHRISTOPHER BROCK as FRANCIS CHRISTOPHER BROCK shall

appoint either by a valid last will and testament or by a valid living trust agreement.

FRANCIS CHRISTOPHER BROCK may make distributions among his descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as he shall determine. This limited testamentary power shall not be exercised in favor of his estate or the creditors of his estate.

To the extent that FRANCIS CHRISTOPHER BROCK shall fail to exercise this limited testamentary power of appointment, any property in his Exempt Share shall be divided and allocated to FRANCIS CHRISTOPHER BROCK'S then living descendants, per stirpes, to be held and administered in separate Exempt Shares for each of such descendants in accordance with subsection 5 below.

If FRANCIS CHRISTOPHER BROCK has no then living descendants, any property in his Exempt Share shall be divided and allocated to our then living descendants, per stirpes, to be added to the Exempt Shares being held and administered for each of such descendants or, if no Exempt Share is being held for a descendant, to be held for that descendant in an Exempt Share in accordance with subsection 5 below.

If we have no then living descendants, our Trustee shall distribute such trust property as provided in Article Eight of this agreement.

5. Distribution of Exempt Shares for Descendants

Any Exempt Shares established pursuant to subsection 4 above or pursuant to this subsection 5 shall be held and administered upon the same terms and provisions set forth in this Section 1 that governed the Exempt Share for FRANCIS CHRISTOPHER BROCK during his lifetime.

Upon the death of any beneficiary for whom an Exempt Share shall have been established pursuant to subsection 4 or this subsection 5, any property in such beneficiary's Exempt Share shall be distributed to or for the benefit of the descendants of such beneficiary as such beneficiary shall appoint either by a

valid last will and testament or by a valid living trust agreement.

Such beneficiary may make distributions among his or her descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as such beneficiary shall determine. This limited testamentary power shall not be exercised in favor of the estate or the creditors of the estate of such beneficiary.

To the extent that any such beneficiary shall fail to exercise this limited testamentary power of appointment, any property in the Exempt Share of such beneficiary shall be divided and allocated to such beneficiary's then living descendants, per stirpes, to be held and administered in separate Exempt Shares for each of such descendants.

Upon the death of the descendants of such beneficiary for whom Exempt Shares shall have been established, and upon the death of their descendants for whom Exempt Shares shall have been established, generation to generation, until the expiration of the period described in Section 2 of Article Thirteen of this agreement, Exempt Shares shall be established for the descendants of a deceased beneficiary, per stirpes, and held and administered pursuant to the provisions of this subsection 5. Upon the expiration of the period described in Section 2 of Article Thirteen, such shares shall be distributed as therein provided.

If any beneficiary of an Exempt Share established pursuant to subsection 4 or this subsection 5 has no descendants living at his or her death, any property in the Exempt Share of such beneficiary shall be divided and allocated to the then living descendants of the marriage of the parents of such beneficiary, per stirpes, and, if there are no then living descendants of the marriage of the parents of such beneficiary, to the then living descendants of FRANCIS CHRISTOPHER BROCK, per stirpes, and if there are no then living descendants of FRANCIS CHRISTOPHER BROCK, to our then living descendants, per stirpes, in each case to be added to the Exempt Share being held or administered for each of such descendants or if no Exempt Share is being held for a descendant, to be held for that descendant in an Exempt Share in accordance with this subsection 5.

If we have no then living descendants, our Trustee shall distribute such trust property as provided in Article Eight of this agreement.

n. Distribution of the Non-Exempt Share for FRANCIS CHRISTOPHER BROCK

The Non-Exempt Share for FRANCIS CHRISTOPHER BROCK shall be distributed as follows:

1. Distribution of the Non-Exempt Share

The trust share set aside for FRANCIS CHRISTOPHER BROCK shall forthwith terminate and our Trustee shall distribute all undistributed net income and principal to FRANCIS CHRISTOPHER BROCK, free of the trust.

2. Distribution of the Non-Exempt Share on the Death of FRANCIS CHRISTOPHER BROCK

FRANCIS CHRISTOPHER BROCK shall have the unlimited and unrestricted testamentary general power to appoint, by a valid last will and testament or by a valid living trust agreement, any property remaining in his Non-Exempt Share, the distribution of which would otherwise constitute a taxable generation-skipping transfer. In exercising this testamentary general power of appointment, FRANCIS CHRISTOPHER BROCK shall specifically refer to this power.

FRANCIS CHRISTOPHER BROCK shall have the sole and exclusive right to exercise this testamentary general power of appointment.

This testamentary general power of appointment specifically grants to FRANCIS CHRISTOPHER BROCK the right to appoint property to his own estate. It also specifically grants to FRANCIS CHRISTOPHER BROCK the right to appoint the property among persons, corporations, or other entities in equal or unequal proportions, and on such terms and conditions, whether outright or in trust, as he may elect.

Any property in the Non-Exempt Share of FRANCIS CHRISTOPHER BROCK which is not distributed pursuant to the exercise of this testamentary general power of appointment or is not subject to such power because it is not taxable as a generation-skipping transfer shall be distributed to the then living descendants of FRANCIS CHRISTOPHER BROCK, per stirpes.

If FRANCIS CHRISTOPHER BROCK has no then living descendants, our Trustee shall distribute the balance of the property of the Non-Exempt Share to our then living descendants, per stirpes.

If we have no then living descendants, our Trustee shall distribute the remaining trust property as provided in Article Eight of this agreement.

o. Distribution of Exempt Share for PETER AUGUSTINE BROCK

The Exempt Share for PETER AUGUSTINE BROCK shall be held in trust and administered and distributed as follows:

1. Distributions of Net Income of the Exempt Share

Our Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, PETER AUGUSTINE BROCK as much of the net income from his Exempt Share as our Trustee deems advisable for the education, health, maintenance, and support of PETER AUGUSTINE BROCK.

2. Distributions of Principal of the Exempt Share

Our Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, PETER AUGUSTINE BROCK as much of the principal from his Exempt Share as our Trustee deems advisable for the education, health, maintenance, and support of PETER AUGUSTINE BROCK.

3. Guidelines for Discretionary Distributions from the Exempt Share

To the extent that we have given our Trustee any discretionary authority over the distribution of income or principal from the Exempt Share to PETER AUGUSTINE BROCK it is our desire that our Trustee be liberal in exercising such discretion.

In making discretionary distributions to PETER AUGUSTINE BROCK, our Trustee shall be mindful of, and take into consideration to the extent it deems necessary, any additional sources of income and principal available to PETER AUGUSTINE BROCK which arise outside of this agreement and are known to our Trustee, and also the income and principal available to PETER AUGUSTINE BROCK from his Non-Exempt Share.

It is our express desire that our Trustee take into consideration the future probable needs of PETER AUGUSTINE BROCK prior to making any discretionary distributions hereunder.

4. Distribution of the Exempt Share on the Death of PETER AUGUSTINE BROCK

Upon the death of PETER AUGUSTINE BROCK, any property in his Exempt Share shall be distributed to or for the benefit of the descendants of PETER AUGUSTINE BROCK as PETER AUGUSTINE BROCK shall appoint either by a valid last will and testament or by a valid living trust agreement.

PETER AUGUSTINE BROCK may make distributions among his descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as he shall determine. This limited testamentary power shall not be exercised in favor of his estate or the creditors of his estate.

To the extent that PETER AUGUSTINE BROCK shall fail to exercise this limited testamentary power of appointment, any property in his Exempt Share shall be divided and allocated to PETER AUGUSTINE BROCK'S then living descendants, per stirpes, to be held and administered in separate Exempt Shares for each of such descendants in accordance with subsection 5

below.

If PETER AUGUSTINE BROCK has no then living descendants, any property in his Exempt Share shall be divided and allocated to our then living descendants, per stirpes, to be added to the Exempt Shares being held and administered for each of such descendants or, if no Exempt Share is being held for a descendant, to be held for that descendant in an Exempt Share in accordance with subsection 5 below.

If we have no then living descendants, our Trustee shall distribute such trust property as provided in Article Eight of this agreement.

5. Distribution of Exempt Shares for Descendants

Any Exempt Shares established pursuant to subsection 4 above or pursuant to this subsection 5 shall be held and administered upon the same terms and provisions set forth in this Section 1 that governed the Exempt Share for PETER AUGUSTINE BROCK during his lifetime.

Upon the death of any beneficiary for whom an Exempt Share shall have been established pursuant to subsection 4 or this subsection 5, any property in such beneficiary's Exempt Share shall be distributed to or for the benefit of the descendants of such beneficiary as such beneficiary shall appoint either by a valid last will and testament or by a valid living trust agreement.

Such beneficiary may make distributions among his or her descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as such beneficiary shall determine. This limited testamentary power shall not be exercised in favor of the estate or the creditors of the estate of such beneficiary.

To the extent that any such beneficiary shall fail to exercise this limited testamentary power of appointment, any property in the Exempt Share of such beneficiary shall be divided and allocated to such beneficiary's then living descendants, per stirpes, to be held and administered in separate Exempt Shares

for each of such descendants.

Upon the death of the descendants of such beneficiary for whom Exempt Shares shall have been established, and upon the death of their descendants for whom Exempt Shares shall have been established, generation to generation, until the expiration of the period described in Section 2 of Article Thirteen of this agreement, Exempt Shares shall be established for the descendants of a deceased beneficiary, per stirpes, and held and administered pursuant to the provisions of this subsection 5. Upon the expiration of the period described in Section 2 of Article Thirteen, such shares shall be distributed as therein provided.

If any beneficiary of an Exempt Share established pursuant to subsection 4 or this subsection 5 has no descendants living at his or her death, any property in the Exempt Share of such beneficiary shall be divided and allocated to the then living descendants of the marriage of the parents of such beneficiary, per stirpes, and, if there are no then living descendants of the marriage of the parents of such beneficiary, to the then living descendants of PETER AUGUSTINE BROCK, per stirpes, and if there are no then living descendants of PETER AUGUSTINE BROCK, to our then living descendants, per stirpes, in each case to be added to the Exempt Share being held or administered for each of such descendants or if no Exempt Share is being held for a descendant, to be held for that descendant in an Exempt Share in accordance with this subsection 5.

If we have no then living descendants, our Trustee shall distribute such trust property as provided in Article Eight of this agreement.

p. Distribution of the Non-Exempt Share for PETER AUGUSTINE BROCK

The Non-Exempt Share for PETER AUGUSTINE BROCK shall be distributed as follows:

1. Distribution of the Non-Exempt Share

The trust share set aside for PETER AUGUSTINE BROCK shall forthwith terminate and our Trustee shall distribute all undistributed net income and principal to PETER AUGUSTINE BROCK, free of the trust.

2. Distribution of the Non-Exempt Share on the Death of PETER AUGUSTINE BROCK

PETER AUGUSTINE BROCK shall have the unlimited and unrestricted testamentary general power to appoint, by a valid last will and testament or by a valid living trust agreement, any property remaining in his Non-Exempt Share, the distribution of which would otherwise constitute a taxable generation-skipping transfer. In exercising this testamentary general power of appointment, PETER AUGUSTINE BROCK shall specifically refer to this power.

PETER AUGUSTINE BROCK shall have the sole and exclusive right to exercise this testamentary general power of appointment.

This testamentary general power of appointment specifically grants to PETER AUGUSTINE BROCK the right to appoint property to his own estate. It also specifically grants to PETER AUGUSTINE BROCK the right to appoint the property among persons, corporations, or other entities in equal or unequal proportions, and on such terms and conditions, whether outright or in trust, as he may elect.

Any property in the Non-Exempt Share of PETER AUGUSTINE BROCK which is not distributed pursuant to the exercise of this testamentary general power of appointment or is not subject to such power because it is not taxable as a generation-skipping transfer shall be distributed to the then living descendants of PETER AUGUSTINE BROCK, per stirpes.

If PETER AUGUSTINE BROCK has no then living descendants, our Trustee shall distribute the balance of the property of the Non-Exempt Share to our then living descendants, per stirpes.

If we have no then living descendants, our Trustee shall distribute the remaining trust property as provided in Article Eight of this agreement.

s. Distribution of Exempt Share for VINCENT dePAUL BROCK

~~The Exempt Share for VINCENT dePAUL BROCK shall be held in~~
trust and administered and distributed as follows:

1. Distributions of Net Income of the Exempt Share

Our Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, VINCENT dePAUL BROCK as much of the net income from his Exempt Share as our Trustee deems advisable for the education, health, maintenance, and support of VINCENT dePAUL BROCK.

2. Distributions of Principal of the Exempt Share

Our Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, VINCENT dePAUL BROCK as much of the principal from his Exempt Share as our Trustee deems advisable for the education, health, maintenance, and support of VINCENT dePAUL BROCK.

3. Guidelines for Discretionary Distributions from the Exempt Share

To the extent that we have given our Trustee any discretionary authority over the distribution of income or principal from the Exempt Share to VINCENT dePAUL BROCK it is our desire that our Trustee be liberal in exercising such discretion.

In making discretionary distributions to VINCENT dePAUL BROCK, our Trustee shall be mindful of, and take into consideration to the extent it deems necessary, any additional sources of income and principal available to VINCENT dePAUL BROCK which arise outside of this agreement and are known to our Trustee, and also the income and principal available to VINCENT dePAUL BROCK from his Non-

Exempt Share.

It is our express desire that our Trustee take into consideration the future probable needs of VINCENT dePAUL BROCK prior to making any discretionary distributions hereunder.

**~~4. Distribution of the Exempt Share on the Death of~~
VINCENT dePAUL BROCK**

Upon the death of VINCENT dePAUL BROCK, any property in his Exempt Share shall be distributed to or for the benefit of the descendants of VINCENT dePAUL BROCK as VINCENT dePAUL BROCK shall appoint either by a valid last will and testament or by a valid living trust agreement.

VINCENT dePAUL BROCK may make distributions among his descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as he shall determine. This limited testamentary power shall not be exercised in favor of his estate or the creditors of his estate.

To the extent that VINCENT dePAUL BROCK shall fail to exercise this limited testamentary power of appointment, any property in his Exempt Share shall be divided and allocated to VINCENT dePAUL BROCK'S then living descendants, per stirpes, to be held and administered in separate Exempt Shares for each of such descendants in accordance with subsection 5 below.

If VINCENT dePAUL BROCK has no then living descendants, any property in his Exempt Share shall be divided and allocated to our then living descendants, per stirpes, to be added to the Exempt Shares being held and administered for each of such descendants or, if no Exempt Share is being held for a descendant, to be held for that descendant in an Exempt Share in accordance with subsection 5 below.

If we have no then living descendants, our Trustee shall distribute such trust property as provided in Article Eight of this agreement.

5. Distribution of Exempt Shares for Descendants

Any Exempt Shares established pursuant to subsection 4 above or pursuant to this subsection 5 shall be held and administered upon the same terms and provisions set forth in this Section 1 that governed the Exempt Share for VINCENT dePAUL BROCK during his lifetime.

Upon the death of any beneficiary for whom an Exempt Share shall have been established pursuant to subsection 4 or this subsection 5, any property in such beneficiary's Exempt Share shall be distributed to or for the benefit of the descendants of such beneficiary as such beneficiary shall appoint either by a valid last will and testament or by a valid living trust agreement.

Such beneficiary may make distributions among his or her descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as such beneficiary shall determine. This limited testamentary power shall not be exercised in favor of the estate or the creditors of the estate of such beneficiary.

To the extent that any such beneficiary shall fail to exercise this limited testamentary power of appointment, any property in the Exempt Share of such beneficiary shall be divided and allocated to such beneficiary's then living descendants, per stirpes, to be held and administered in separate Exempt Shares for each of such descendants.

Upon the death of the descendants of such beneficiary for whom Exempt Shares shall have been established, and upon the death of their descendants for whom Exempt Shares shall have been established, generation to generation, until the expiration of the period described in Section 2 of Article Thirteen of this agreement, Exempt Shares shall be established for the descendants of a deceased beneficiary, per stirpes, and held and administered pursuant to the provisions of this subsection 5. Upon the expiration of the period described in Section 2 of Article Thirteen, such shares shall be distributed as therein provided.

If any beneficiary of an Exempt Share established pursuant to subsection 4 or this subsection 5 has no descendants living at

his or her death, any property in the Exempt Share of such beneficiary shall be divided and allocated to the then living descendants of the marriage of the parents of such beneficiary, per stirpes, and, if there are no then living descendants of the marriage of the parents of such beneficiary, to the then living descendants of VINCENT dePAUL BROCK, per stirpes, and if there are no then living descendants of VINCENT dePAUL BROCK, to our then living descendants, per stirpes, in each case to be added to the Exempt Share being held or administered for each of such descendants or if no Exempt Share is being held for a descendant, to be held for that descendant in an Exempt Share in accordance with this subsection 5.

If we have no then living descendants, our Trustee shall distribute such trust property as provided in Article Eight of this agreement.

r. Distribution of the Non-Exempt Share for VINCENT dePAUL BROCK

The Non-Exempt Share for VINCENT dePAUL BROCK shall be distributed as follows:

1. Distribution of the Non-Exempt Share

The trust share set aside for VINCENT dePAUL BROCK shall forthwith terminate and our Trustee shall distribute all undistributed net income and principal to VINCENT dePAUL BROCK, free of the trust.

2. Distribution of the Non-Exempt Share on the Death of VINCENT dePAUL BROCK

VINCENT dePAUL BROCK shall have the unlimited and unrestricted testamentary general power to appoint, by a valid last will and testament or by a valid living trust agreement, any property remaining in his Non-Exempt Share, the distribution of which would otherwise constitute a taxable generation-skipping transfer. In exercising this testamentary general power of appointment, VINCENT dePAUL BROCK shall

specifically refer to this power.

VINCENT dePAUL BROCK shall have the sole and exclusive right to exercise this testamentary general power of appointment.

This testamentary general power of appointment specifically grants to ~~VINCENT dePAUL BROCK the right to appoint~~ property to his own estate. It also specifically grants to VINCENT dePAUL BROCK the right to appoint the property among persons, corporations, or other entities in equal or unequal proportions, and on such terms and conditions, whether outright or in trust, as he may elect.

Any property in the Non-Exempt Share of VINCENT dePAUL BROCK which is not distributed pursuant to the exercise of this testamentary general power of appointment or is not subject to such power because it is not taxable as a generation-skipping transfer shall be distributed to the then living descendants of VINCENT dePAUL BROCK, per stirpes.

If VINCENT dePAUL BROCK has no then living descendants, our Trustee shall distribute the balance of the property of the Non-Exempt Share to our then living descendants, per stirpes.

If we have no then living descendants, our Trustee shall distribute the remaining trust property as provided in Article Eight of this agreement.

s. Distribution of Exempt Share for JOHN CLAVER BROCK

The Exempt Share for JOHN CLAVER BROCK shall be held in trust and administered and distributed as follows:

1. Distributions of Net Income of the Exempt Share

Our Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, JOHN CLAVER BROCK as much of the net income from his Exempt Share as our Trustee deems advisable for the education, health, maintenance, and support of JOHN CLAVER BROCK.

2. Distributions of Principal of the Exempt Share

Our Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, JOHN CLAVER BROCK as much of the principal from his Exempt Share as our Trustee deems advisable for the education, health, maintenance, and support of JOHN CLAVER BROCK.

3. Guidelines for Discretionary Distributions from the Exempt Share

To the extent that we have given our Trustee any discretionary authority over the distribution of income or principal from the Exempt Share to JOHN CLAVER BROCK it is our desire that our Trustee be liberal in exercising such discretion.

In making discretionary distributions to JOHN CLAVER BROCK, our Trustee shall be mindful of, and take into consideration to the extent it deems necessary, any additional sources of income and principal available to JOHN CLAVER BROCK which arise outside of this agreement and are known to our Trustee, and also the income and principal available to JOHN CLAVER BROCK from his Non-Exempt Share.

It is our express desire that our Trustee take into consideration the future probable needs of JOHN CLAVER BROCK prior to making any discretionary distributions hereunder.

4. Distribution of the Exempt Share on the Death of JOHN CLAVER BROCK

Upon the death of JOHN CLAVER BROCK, any property in his Exempt Share shall be distributed to or for the benefit of the descendants of JOHN CLAVER BROCK as JOHN CLAVER BROCK shall appoint either by a valid last will and testament or by a valid living trust agreement.

JOHN CLAVER BROCK may make distributions among his descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as he shall determine. This limited testamentary power shall not be exercised in favor of his estate or the creditors of his estate.

To the extent that JOHN CLAVER BROCK shall fail to exercise this limited testamentary power of appointment, any property in his Exempt Share shall be divided and allocated to JOHN CLAVER BROCK'S then living descendants, per stirpes, to be held and administered in separate Exempt Shares for each of such descendants in accordance with subsection 5 below.

If JOHN CLAVER BROCK has no then living descendants, any property in his Exempt Share shall be divided and allocated to our then living descendants, per stirpes, to be added to the Exempt Shares being held and administered for each of such descendants or, if no Exempt Share is being held for a descendant, to be held for that descendant in an Exempt Share in accordance with subsection 5 below.

If we have no then living descendants, our Trustee shall distribute such trust property as provided in Article Eight of this agreement.

5. Distribution of Exempt Shares for Descendants

Any Exempt Shares established pursuant to subsection 4 above or pursuant to this subsection 5 shall be held and administered upon the same terms and provisions set forth in this Section 1 that governed the Exempt Share for JOHN CLAVER BROCK during his lifetime.

Upon the death of any beneficiary for whom an Exempt Share shall have been established pursuant to subsection 4 or this subsection 5, any property in such beneficiary's Exempt Share shall be distributed to or for the benefit of the descendants of such beneficiary as such beneficiary shall appoint either by a valid last will and testament or by a valid living trust agreement.

Such beneficiary may make distributions among his or her descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as such beneficiary shall determine. This limited testamentary power shall not be exercised in favor of the estate or the creditors of the estate of such beneficiary.

To the extent that any such beneficiary shall fail to exercise this limited testamentary power of appointment, any property in the Exempt Share of such beneficiary shall be divided and allocated to such beneficiary's then living descendants, per stirpes, to be held and administered in separate Exempt Shares for each of such descendants.

Upon the death of the descendants of such beneficiary for whom Exempt Shares shall have been established, and upon the death of their descendants for whom Exempt Shares shall have been established, generation to generation, until the expiration of the period described in Section 2 of Article Thirteen of this agreement, Exempt Shares shall be established for the descendants of a deceased beneficiary, per stirpes, and held and administered pursuant to the provisions of this subsection 5. Upon the expiration of the period described in Section 2 of Article Thirteen, such shares shall be distributed as therein provided.

If any beneficiary of an Exempt Share established pursuant to subsection 4 or this subsection 5 has no descendants living at his or her death, any property in the Exempt Share of such beneficiary shall be divided and allocated to the then living descendants of the marriage of the parents of such beneficiary, per stirpes, and, if there are no then living descendants of the marriage of the parents of such beneficiary, to the then living descendants of JOHN CLAVER BROCK, per stirpes, and if there are no then living descendants of JOHN CLAVER BROCK, to our then living descendants, per stirpes, in each case to be added to the Exempt Share being held or administered for each of such descendants or if no Exempt Share is being held for a descendant, to be held for that descendant in an Exempt Share in accordance with this subsection 5.

If we have no then living descendants, our Trustee shall distribute such trust property as provided in Article Eight of this agreement.

t. Distribution of the Non-Exempt Share for JOHN CLAVER BROCK

The Non-Exempt Share for JOHN CLAVER BROCK shall be distributed as follows:

1. Distribution of the Non-Exempt Share

The trust share set aside for JOHN CLAVER BROCK shall forthwith terminate and our Trustee shall distribute all undistributed net income and principal to JOHN CLAVER BROCK, free of the trust.

2. Distribution of the Non-Exempt Share on the Death of JOHN CLAVER BROCK

JOHN CLAVER BROCK shall have the unlimited and unrestricted testamentary general power to appoint, by a valid last will and testament or by a valid living trust agreement, any property remaining in his Non-Exempt Share, the distribution of which would otherwise constitute a taxable generation-skipping transfer. In exercising this testamentary general power of appointment, JOHN CLAVER BROCK shall specifically refer to this power.

JOHN CLAVER BROCK shall have the sole and exclusive right to exercise this testamentary general power of appointment.

This testamentary general power of appointment specifically grants to JOHN CLAVER BROCK the right to appoint property to his own estate. It also specifically grants to JOHN CLAVER BROCK the right to appoint the property among persons, corporations, or other entities in equal or unequal proportions, and on such terms and conditions, whether outright or in trust, as he may elect.

Any property in the Non-Exempt Share of JOHN CLAVER BROCK which is not distributed pursuant to the exercise of this testamentary general power of appointment or is not subject to such power because it is not taxable as a generation-skipping transfer shall be distributed to the then living

descendants of JOHN CLAVER BROCK, per stirpes.

If JOHN CLAVER BROCK has no then living descendants, our Trustee shall distribute the balance of the property of the Non-Exempt Share to our then living descendants, per stirpes.

~~If we have no then living descendants, our Trustee shall~~
distribute the remaining trust property as provided in Article Eight of this agreement.

u. Distribution of Exempt Shares for Afterborn or Adopted Children

If, after the creation of our trust, we have any additional children or legally adopt any children, the Exempt Share for each such child who shall then be living shall be administered and distributed as follows:

1. Distributions of Net Income of the Exempt Share

Our Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, the afterborn or adopted child as much of the net income from his or her Exempt Share as our Trustee deems advisable for his or her education, health, maintenance, and support.

2. Distributions of Principal of the Exempt Share

Our Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, the afterborn or adopted child as much of the principal from his or her Exempt Share as our Trustee deems advisable for his or her education, health, maintenance, and support.

3. Guidelines for Discretionary Distributions from the Exempt Share

To the extent that we have given our Trustee any discretionary authority over the distribution of income or principal from the Exempt Share to the afterborn or adopted child it is our desire that our Trustee be liberal in exercising such discretion.

In making discretionary distributions to the afterborn or adopted child, our Trustee shall be mindful of, and take into consideration to the extent it deems necessary, any additional sources of income and principal available to the afterborn or adopted child which arise outside of this agreement and are known to our Trustee, and also the income and principal available to the afterborn or adopted child from his or her Non-Exempt Share.

It is our express desire that our Trustee take into consideration the future probable needs of the afterborn or adopted child prior to making any discretionary distributions hereunder.

4. Distribution of the Exempt Share on the Death of the Afterborn or Adopted Child

Upon the death of the afterborn or adopted child, any property in his or her Exempt Share shall be distributed to or for the benefit of the descendants of the afterborn or adopted child as the afterborn or adopted child shall appoint either by a valid last will and testament or by a valid living trust agreement.

The afterborn or adopted child may make distributions among his or her descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as he or she shall determine. This limited testamentary power shall not be exercised in favor of his or her estate or the creditors of his or her estate.

To the extent that the afterborn or adopted child shall fail to exercise this limited testamentary power of appointment, any property in his or her Exempt Share shall be divided and allocated to the afterborn or adopted child's then living descendants, per stirpes, to be held and administered in separate Exempt Shares for each of such descendants in accordance with subsection 5 below.

If the afterborn or adopted child has no then living descendants, any property in his or her Exempt Share shall be divided and allocated to our then living descendants, per stirpes, to be added to the Exempt Shares being held and administered for each of such descendants or, if no Exempt Share is being held for a descendant, to be held for that

descendant in an Exempt Share in accordance with subsection 5 below.

If we have no then living descendants, our Trustee shall distribute such trust property as provided in Article Eight of this agreement.

5. Distribution of Exempt Shares for Descendants

Any Exempt Shares established pursuant to subsection 4 above or pursuant to this subsection 5 shall be held and administered upon the same terms and provisions set forth in this Section 1 that governed the Exempt Share for the afterborn or adopted child during his or her lifetime.

Upon the death of any beneficiary for whom an Exempt Share shall have been established pursuant to subsection 4 or this subsection 5, any property in such beneficiary's Exempt Share shall be distributed to or for the benefit of the descendants of such beneficiary as such beneficiary shall appoint either by a valid last will and testament or by a valid living trust agreement.

Such beneficiary may make distributions among his or her descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as such beneficiary shall determine. This limited testamentary power shall not be exercised in favor of the estate or the creditors of the estate of such beneficiary.

To the extent that any such beneficiary shall fail to exercise this limited testamentary power of appointment, any property in the Exempt Share of such beneficiary shall be divided and allocated to such beneficiary's then living descendants, per stirpes, to be held and administered in separate Exempt Shares for each of such descendants.

Upon the death of the descendants of such beneficiary for whom Exempt Shares shall have been established, and upon the death of their descendants for whom Exempt Shares shall have been established, generation to generation, until the expiration of the period described in Section 2 of Article Thirteen of this agreement, Exempt Shares shall be established

for the descendants of a deceased beneficiary, per stirpes, and held and administered pursuant to the provisions of this subsection 5. Upon the expiration of the period described in Section 2 of Article Thirteen, such shares shall be distributed as therein provided.

If any beneficiary of an Exempt Share established pursuant to ~~subsection 4 or this subsection 5~~ has no descendants living at his or her death, any property in the Exempt Share of such beneficiary shall be divided and allocated to the then living descendants of the marriage of the parents of such beneficiary, per stirpes, and, if there are no then living descendants of the marriage of the parents of such beneficiary, to the then living descendants of the afterborn or adopted child, per stirpes, and if there are no then living descendants of the afterborn or adopted child, to our then living descendants, per stirpes, in each case to be added to the Exempt Share being held or administered for each of such descendants or if no Exempt Share is being held for a descendant, to be held for that descendant in an Exempt Share in accordance with this subsection 5.

If we have no then living descendants, our Trustee shall distribute such trust property as provided in Article Eight of this agreement.

v. Distribution of the Non-Exempt Shares for Afterborn or Adopted Children

If, after the creation of our trust, we have any additional children or legally adopt any children, the Non-Exempt Share for each such child who shall then be living shall be distributed as follows:

1. Distribution of the Non-Exempt Share

The trust share set aside for the afterborn or adopted child shall forthwith terminate and our Trustee shall distribute all undistributed net income and principal to the afterborn or adopted child, free of the trust.

2. Distribution of the Non-Exempt Share on the Death of the Afterborn or Adopted Child

The afterborn or adopted child shall have the unlimited and unrestricted testamentary general power to appoint, by a valid last will and testament or by a valid living trust agreement, any property remaining in his or her Non-Exempt Share, the distribution of which would otherwise constitute a taxable generation-skipping transfer. In exercising this testamentary general power of appointment, the afterborn or adopted child shall specifically refer to this power.

The afterborn or adopted child shall have the sole and exclusive right to exercise this testamentary general power of appointment.

This testamentary general power of appointment specifically grants to the afterborn or adopted child the right to appoint property to his or her own estate. It also specifically grants to the afterborn or adopted child the right to appoint the property among persons, corporations, or other entities in equal or unequal proportions, and on such terms and conditions, whether outright or in trust, as he or she may elect.

Any property in the Non-Exempt Share of the afterborn or adopted child which is not distributed pursuant to the exercise of this testamentary general power of appointment or is not subject to such power because it is not taxable as a generation-skipping transfer shall be distributed to the then living descendants of the afterborn or adopted child, per stirpes.

If the afterborn or adopted child has no then living descendants, our Trustee shall distribute the balance of the property of the Non-Exempt Share to our then living descendants, per stirpes.

If we have no then living descendants, our Trustee shall distribute the remaining trust property as provided in Article Eight of this agreement.

Section 2. Share of a Descendant of a Deceased Child

The Exempt Share and the Non-Exempt Share established for a then living descendant of a deceased child of ours shall be administered and distributed as follows:

a. ~~Distribution of Exempt Shares for Descendants~~

Any Exempt Shares established for a then living descendant of a deceased child of ours pursuant to Section 3 of Article Six or pursuant to this Paragraph a shall be held and administered upon the same terms and provisions set forth in Section 1 of this Article that governed the Exempt Shares for our children during their lifetime.

Upon the death of any beneficiary for whom an Exempt Share shall have been established pursuant to Section 3 of Article Six or this Paragraph a, any property in such beneficiary's Exempt Share shall be distributed to or for the benefit of the descendants of such beneficiary as such beneficiary shall appoint either by a valid last will and testament or by a valid living trust agreement.

Such beneficiary may make distributions among his or her descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as such beneficiary shall determine. This limited testamentary power shall not be exercised in favor of the estate or the creditors of the estate of such beneficiary.

To the extent that any such beneficiary shall fail to exercise this limited testamentary power of appointment, any property in the Exempt Share of such beneficiary shall be divided and allocated to such beneficiary's then living descendants, per stirpes, to be held and administered in separate Exempt Shares for each of such descendants.

Upon the death of the descendants of such beneficiary for whom Exempt Shares shall have been established, and upon the death of their descendants for whom Exempt Shares shall have been established, generation to generation, until the expiration of the period described in Section 2 of Article Thirteen of this agreement, Exempt Shares shall be established for the descendants of a deceased beneficiary, per stirpes, and held and administered pursuant to the provisions of this Paragraph a. Upon the expiration of the period described in Section 2 of Article Thirteen, such shares shall be distributed as therein provided.

If any beneficiary of an Exempt Share established pursuant to Section 3 of Article Six or this Paragraph a. has no descendants living at his or her death, any property in the Exempt Share of such beneficiary shall be divided and allocated to the then living descendants of the marriage of the parents of such beneficiary, per stirpes, and, if there are no then living descendants of the marriage of the parents of such beneficiary, to our then living descendants, per stirpes, in each case to be added to the ~~Exempt Share being held or administered for each of such descendants~~ or if no Exempt Share is being held for a descendant, to be held for that descendant in an Exempt Share in accordance with the provisions of this Paragraph a.

If we have no then living descendants, our Trustee shall distribute such trust property as provided in Article Eight of this agreement.

b. Distribution of Non-Exempt Shares for Descendants

Any Non-Exempt Share established for a then living descendant of a deceased child of ours pursuant to Section 3 of Article Six shall be distributed or administered as follows:

1. Outright Distribution

Each Non-Exempt Share set aside for a then living descendant of a deceased child of ours shall be distributed to such descendant.

2. Retention of a Minor's or Disabled Descendant's Portion in Trust

If any portion of a share is distributable under this Paragraph b. to any descendant of a deceased child who is under 30 years of age, or to any such descendant who is disabled or incapacitated as defined in Article Thirteen of this agreement, then our Trustee shall retain such portion in trust under the provisions of Article Nine of this agreement.

Section 3. Retention of Distributions in Trust

Whenever a distribution is authorized or required to be made by a provision of this Article to any beneficiary, then that beneficiary may direct our Trustee in writing to retain such distribution in trust as follows:

a. A Beneficiary's Right to Income

Our Trustee, during the lifetime of the beneficiary, shall pay to or apply for the benefit of the beneficiary from time to time and at the beneficiary's written direction all of the net income from this trust.

b. A Beneficiary's Right to Withdraw Principal

Our Trustee shall pay to or apply for the benefit of the beneficiary such amounts from the principal as the beneficiary may at any time request in writing.

No limitation shall be placed on the beneficiary as to either the amount of or reason for such invasion of principal.

c. Principal Distributions in Our Trustee's Discretion

Our Trustee may also distribute to or for the benefit of the beneficiary so much of the principal of the trust as our Trustee, in its sole and absolute discretion, shall consider necessary or advisable for the education, health, maintenance, and support of the beneficiary.

d. A Beneficiary's General Power of Appointment

The beneficiary shall have the unlimited and unrestricted testamentary general power to appoint, by a valid last will and testament or trust agreement, the entire principal and any accrued and undistributed net income of the trust as it exists at the beneficiary's death. In exercising this testamentary general power of appointment, the beneficiary shall specifically refer to this power.

The beneficiary shall have the sole and exclusive right to exercise this testamentary general power of appointment.

This testamentary general power of appointment specifically grants to the beneficiary the right to appoint property to the beneficiary's own estate. It also specifically grants to the beneficiary the right to appoint the property among persons, corporations, or other entities in equal or unequal proportions, and on such terms and conditions, whether outright or in trust, as the beneficiary may elect.

Any property in the trust which is not distributed pursuant to the exercise of this testamentary general power of appointment shall be distributed to the beneficiary's then living descendants, per stirpes.

If the beneficiary has no then living descendants, our Trustee shall distribute the remaining trust property to our then living descendants, per stirpes.

If we have no then living descendants, our Trustee shall distribute the remaining trust property as provided in Article Eight of this agreement.

The provisions of this Section shall not apply to any Exempt Share created under this agreement.

Article Eight

Ultimate Distribution Pattern

~~If at any time there is no person, corporation, or other entity entitled to receive all or any part of the trust property of one of us:~~

One-half of the trust property shall be distributed to those persons who would be the wife Trustmaker's heirs had she died intestate owning such property.

The balance of the property shall be distributed to those persons who would be the husband Trustmaker's heirs had he died intestate owning such property.

The distribution of trust property, for purposes of this Article, shall be determined by the laws of descent and distribution for intestate estates in the State of Massachusetts as such laws are in effect at the time of any distribution under this Article.

Article Nine
Methods of Distribution and Trust
Administration with Regard to
Minor and Disabled Beneficiaries

Section 1. General Guidelines for Distribution

Whenever a distribution is authorized or required by a provision of this agreement to any beneficiary who is disabled or incapacitated, such distribution may be made by our Trustee:

Without continuing court supervision or the intervention of a guardian, conservator, or any other legal representative.

Without giving or requiring any bond or surety on bond.

Pursuant to any of the methods authorized under this Article.

In making distributions under this Article, disability or incapacity shall include adjudicated mental incapacity by a court of competent jurisdiction, or incapacity because of age, illness, or injury.

Before making any distributions to beneficiaries under this Article, it is our desire that our Trustee, to the extent that it is both reasonable and possible:

Inquire into the ultimate disposition of the distributed funds.

Take into consideration the behavior of trust beneficiaries with regard to their disposition of prior distributions of trust property.

Our Trustee shall obtain a receipt from the person, corporation, or other entity receiving any distribution called for in this Article.

Section 2. Methods of Payment

Our Trustee may make the distributions called for in this Article in any one or more of the following ways:

Directly to a beneficiary.

To persons, corporations, or other entities for the use and benefit of the beneficiary.

To an account in a commercial bank or savings institution in the name of the beneficiary, or in a form reserving the title, management, and custody of the account to a suitable person, corporation, or other entity for the use and benefit of the beneficiary.

In any prudent form of annuity purchased for the use and benefit of the beneficiary.

To any person or duly licensed financial institution, including our Trustee, as a custodian under the Uniform Transfers to Minors Act, or any similar act, of any state, or in any manner allowed by any state statute dealing with gifts or distributions to minors or other individuals under a legal disability.

To any guardian or other person deemed by our Trustee to be responsible, and who has assumed the responsibility of caring for the beneficiary.

Section 3. Our Trustee's Discretion to Keep Property in Trust

If any trust property becomes distributable to a beneficiary when the beneficiary is under 30 years of age, or when the beneficiary is under any form of legal disability, as defined in Article Thirteen, our Trustee may retain that beneficiary's share in a separate trust until he or she attains 30 years of age, or until his or her legal disability has ceased, as follows:

a. Distributions of Trust Income and Principal

Our Trustee shall apply to or for the benefit of the beneficiary as much of the net income and principal of the trust as our Trustee, in its sole and absolute discretion, deems necessary or advisable for the beneficiary's education, health, maintenance, and support.

~~In making any distributions of income and principal under this Article,~~
our Trustee shall be mindful of, and take into consideration to the extent it deems necessary, any additional sources of income and principal available to the beneficiary which arise outside of this agreement.

Any net income not distributed to a beneficiary shall be accumulated and added to principal.

b. Termination and Distribution

Our Trustee shall distribute the trust property to a beneficiary:

When he or she attains 30 years of age, or

When he or she ceases to be disabled.

c. A Beneficiary's General Power to Appoint Trust Property

If a beneficiary should die before the complete distribution of his or her trust, the trust shall terminate and all of the trust property shall be distributed to such persons, corporations, or other entities, including the beneficiary's own estate, in the manner in which the beneficiary shall elect.

This general power of appointment must be exercised by the beneficiary by either a valid living trust or last will and testament, either of which specifically refers to this power of appointment.

To the extent this general power of appointment is not exercised, our Trustee shall distribute the remaining trust property to the then living descendants of the beneficiary, per stirpes.

If the beneficiary has no then living descendants, our Trustee shall distribute the remaining trust property to our then living descendants, per

stirpes.

If we have no then living descendants, our Trustee shall distribute the remaining trust property as provided in Article Eight of this agreement.

Article Ten

The Resignation, Replacement, and Succession of Our Trustees

Section 1. The Resignation of a Trustee

Any Trustee may resign by giving thirty days' written notice to each of us or to our respective legal representatives. If neither of us is living, the notice shall be delivered to our Trustees and to all of the beneficiaries then eligible to receive mandatory or discretionary distributions of net income from any trust created under this agreement.

If a beneficiary is a minor or is legally incapacitated, the notice shall be delivered to that beneficiary's guardian or other legal representative.

Section 2. The Removal of a Trustee

Any Trustee may be removed by a majority of the beneficiaries then eligible to receive mandatory or discretionary distributions of net income under this agreement.

a. No Cause for Removal Needed

The beneficiaries need not give any Trustee being removed any reason, cause, or ground for such removal.

b. Notice of Removal

Notice of removal shall be effective when made in writing by either:

Personally delivering notice to the Trustee and securing a written receipt, or

Mailing notice in the United States mail to the last known address of the Trustee by certified mail, return receipt requested.

Section 3. Replacement of Trustees

If EMIL FREI, IV is removed, dies, resigns, becomes legally incapacitated, or is otherwise unable or unwilling to serve, he shall be replaced with NANCY FREI, and if PETER AUGUSTINE BROCK is removed, dies, resigns, becomes legally incapacitated, or is otherwise unable or unwilling to serve, he shall be replaced with FRANCIS CHRISTOPHER BROCK.

Section 4. Unfilled Trusteeship

In the event no named Trustees are available, a majority of the beneficiaries then eligible to receive mandatory or discretionary distributions of net income under this agreement shall forthwith name a corporate fiduciary.

If a majority of the beneficiaries then eligible to receive mandatory or discretionary distributions of net income under this agreement cannot agree on a corporate fiduciary, any beneficiary can petition a court of competent jurisdiction, ex parte, to designate a corporate fiduciary as a Trustee.

The court that designates the successor Trustee shall not acquire any jurisdiction over any trust created under this agreement, except to the extent necessary to name a corporate fiduciary as a successor Trustee.

Section 5. Corporate Fiduciaries

Any corporate fiduciary named in this trust agreement or appointed by a court of competent jurisdiction as a Trustee must be a bank or trust company situated in the United States having trust powers under applicable federal or state law.

Such fiduciary shall have a combined capital and surplus of at least 100 million dollars.

Section 6. Powers and Liabilities of Successor Trustee

Any successor Trustee, whether corporate or individual, shall have all of the rights, powers, and privileges, and be subject to all of the obligations and duties, both discretionary and ministerial, as given to the original Trustees.

Any successor Trustee shall be subject to any restrictions imposed on the original Trustees. No successor Trustee shall be required to examine the accounts, records,

- and acts of any previous Trustees. -

No successor Trustee shall in any way be responsible for any act or omission to act on the part of any previous Trustees.

Article Eleven

General Matters and Instructions with Regard to the Trusteeship

Section 1. Use of "Trustee" Nomenclature

As used throughout this agreement, the word "Trustee" shall refer to the initial Trustee as well as any single, additional, or successor Trustees. It shall also refer to any individual, corporation, or other entity acting as a replacement, substitute, or added Trustee.

Section 2. No Requirement to Furnish Bond

Our Trustee shall not be required to furnish any bond for the faithful performance of its duties.

If a bond is required by any law or court of competent jurisdiction, it is our desire that no surety be required on such bond.

Section 3. Court Supervision Not Required

All trusts created under this agreement shall be administered free from the active supervision of any court.

Any proceedings to seek judicial instructions or a judicial determination shall be initiated by our Trustee in the appropriate state court having original jurisdiction of those matters relating to the construction and administration of trusts.

Section 4. Our Trustee's Responsibility to Make Information Available to Beneficiaries

Our Trustee shall report, at least semiannually, to the beneficiaries then eligible to receive mandatory or discretionary distributions of the net income from the various trusts created in this agreement all of the receipts, disbursements, and distributions occurring during the reporting period along with a complete statement of the trust property.

The trust's books and records along with all trust documentation shall be available and open at all reasonable times to the inspection of the trust beneficiaries and their representatives.

Our Trustee shall not be required to furnish trust records or documentation to any individual, corporation, or other entity that is not a beneficiary, does not have the express written approval of a beneficiary, or is not requesting such pursuant to a court order.

Section 5. Delegation among Our Trustees

Any Trustee may delegate to any other Trustee the power to exercise any or all powers granted our Trustee in this agreement, including those which are discretionary, if allowed by law.

Our delegating Trustee may revoke any such delegation at will.

The delegation of any such power, as well as the revocation of any such delegation, shall be evidenced by an instrument in writing executed by the delegating Trustee.

As long as any such delegation is in effect, any of the delegated powers may be exercised by the Trustee receiving such delegation with the same force and effect as if the delegating Trustee had personally joined in the exercise of such power.

Section 6. Utilization of Substitute Trustee

If our Trustee is unwilling or unable to act as to any trust property, our Trustee shall designate, in writing, an individual, bank trust department, or trust company to act as a substitute Trustee with regard to such property.

The property being administered by the substitute Trustee, as well as the net income therefrom, shall be distributed or remitted as directed by the delegating Trustee consistent with the terms of this agreement.

Each substitute Trustee shall exercise all of the fiduciary powers granted by this agreement unless expressly limited by the delegating Trustee in the instrument appointing such substitute Trustee, or by any provision within this Section.

Any substitute Trustee may resign at any time by delivering written notice to our Trustee to that effect.

Section 7. Trustee's Fee

Our Trustee shall be entitled to fair and reasonable compensation for the services it renders as a fiduciary. The amount of compensation shall be an amount equal to the customary and prevailing charges for services of a similar nature during the same period of time and in the same geographic locale.

Our Trustee shall be reimbursed for the reasonable costs and expenses incurred in connection with its fiduciary duties under this agreement.

Section 8. A Majority of Trustees Required to Control

When more than two Trustees are acting, the concurrence and joinder of a majority of Trustees shall control in all matters pertaining to the administration of any trust created under this agreement.

If only two Trustees are acting, the concurrence and joinder of both shall be required.

When more than two Trustees are acting, any dissenting or abstaining Trustee may be absolved from personal liability by registering a written dissent or abstention with the records of the trust; the dissenting Trustee shall thereafter act with the other Trustees in any manner necessary or appropriate to effectuate the decision of the majority.

Section 9. Successor Corporate Fiduciaries

If any bank or trust company ever succeeds to the trust business of any corporate fiduciary serving as a Trustee under this agreement, whether because of a name change or any other form of reorganization, or if such corporate fiduciary ever transfers all of its existing business to any other bank or trust company, the successor shall thereupon, without any action being required, succeed to the trusteeship hereunder as if originally named.

Section 10. Early Termination of Trusts Based on Cost

If our Trustee shall determine, in its sole and absolute discretion, that any trust created under this agreement has become uneconomical to administer due to the high cost of administration relative to the value of the trust property, our Trustee may terminate such trust or trusts and distribute the trust property, including any accrued but undistributed net income, in the following order:

To the then mandatory income beneficiaries of the trust, per stirpes

If there are no living mandatory income beneficiaries, then equally among the beneficiaries then entitled to receive discretionary payments of income of the trust, per stirpes.

Section 11. Generation-Skipping Tax Provisions

In order to minimize the impact of any generation-skipping tax that may be applied to any of the trusts created by this agreement or their beneficiaries, our Trustee, in its sole and absolute discretion, is authorized to take the following actions:

a. Division into Exempt and Nonexempt Trusts

If any trust created under this agreement would be partially exempt from generation-skipping tax by reason of an allocation of a generation-skipping tax exemption to it, prior to such allocation our Trustee shall divide the total trust assets into two separate trust shares of equal or unequal value, to permit allocation of the exemption solely to one trust share (the "exempt trust"). The exempt trust shall consist of a fractional interest of the total trust assets in an amount necessary to cause the

exempt trust to be entirely exempt from generation-skipping tax. The other trust share (the "nonexempt trust") shall consist of the remaining fractional interest of the total trust assets. For purposes of this allocation, assets values as finally determined for federal estate tax purposes shall be used.

b. Additions to a Separate Trust

If a trust under this agreement, whether created under this Section or not, is entirely exempt or nonexempt from generation-skipping tax and adding property to it would partially subject the trust to generation-skipping tax, our Trustee may hold that property in a separate trust in lieu of making the addition.

c. Terms of the Trusts

If our Trustee divides a trust into two separate trust shares or creates a separate trust for additions, the trusts or trust shares that result shall have the same terms and conditions as the original trust. Our Trustee shall not make discretionary distributions from the income or principal of the exempt trust to beneficiaries who are nonskip persons as long as any readily marketable assets remain in the nonexempt trust.

d. Allocation from an Exempt Trust First

Upon division or distribution of an exempt trust and a nonexempt trust, our Trustee may allocate property from the exempt trust first to a share from which a generation-skipping transfer is more likely to occur.

e. Taxable Distributions

If our Trustee considers that any distribution from a trust under this agreement, other than pursuant to a power to withdraw or appoint, is a taxable distribution subject to a generation-skipping tax payable by the beneficiary, our Trustee shall augment the distribution by an amount which our Trustee estimates to be sufficient to pay the tax and shall charge the same against the trust to which the tax relates.

f. Taxable Terminations

If our Trustee considers that any termination of an interest in trust property is a taxable termination subject to a generation-skipping tax, our Trustee shall pay the tax from the portion of the trust property to which the tax relates, without adjustment of the relative interests of the beneficiaries.

Article Twelve

Our Trustee's Administrative and Investment Powers

Section 1. Introduction to Trustee's Powers

Except as otherwise provided in this agreement, our Trustee shall have both the administrative and investment powers enumerated under this Article and any other powers granted by law with respect to the various trusts created by this agreement.

Section 2. Powers to Be Exercised in the Best Interests of the Beneficiaries

Our Trustee shall exercise the following administrative and investment powers without the order of any court, as our Trustee determines in its sole and absolute discretion to be in the best interests of the beneficiaries.

Notwithstanding anything to the contrary in this agreement, our Trustee shall not exercise any power in a manner inconsistent with the beneficiaries' right to the beneficial enjoyment of the trust property in accordance with the general principles of the law of trusts.

Section 3. Administrative and Investment Powers

Our Trustee is hereby granted the following administrative and investment powers:

a. Agricultural Powers

Our Trustee may retain, sell, acquire, and continue any farm or ranching operation whether as a sole proprietorship, partnership, or corporation.

It may engage in the production, harvesting, and marketing of both farm and ranch products either by operating directly or with management agencies, hired labor, tenants, or sharecroppers.

It may engage and participate in any government farm program, whether state or federally sponsored.

It may purchase or rent machinery, equipment, livestock, poultry, feed, and seed.

It may improve and repair all farm and ranch properties; construct buildings, fences, and drainage facilities; acquire, retain, improve, and dispose of wells, water rights, ditch rights, and priorities of any nature.

Our Trustee may, in general, do all things customary or desirable to operate a farm or ranch operation for the benefit of the beneficiaries of the various trusts created under this agreement.

b. Business Powers

Our Trustee may retain and continue any business in which one or both of us have or had an interest as a shareholder, partner, sole proprietor, or as a participant in a joint venture, even though that interest may constitute all or a substantial portion of the trust property:

It may directly participate in the conduct of any such business or employ others to do so on behalf of the beneficiaries.

It may execute partnership agreements, buy-sell agreements, and any amendments to them.

It may participate in the incorporation of any trust property; any corporate reorganization, merger, consolidation, recapitalization, liquidation, dissolution; or any stock redemption or cross purchase buy-sell agreement.

It may hold the stock of any corporation as trust property, and may elect or employ directors, officers, employees, and agents and compensate them for their services.

It may sell or liquidate any business interest that is part of the trust property.

Our Trustee may exercise all of the business powers granted in this agreement regardless of whether our Trustee is personally interested or an involved party with respect to any business enterprise forming a part of the trust property.

c. Common Fund Powers

For the purpose of convenience with regard to the administration and investment of the trust property, our Trustee may hold the several trusts created under this agreement as a common fund.

Our Trustee may make joint investments with respect to the funds comprising the trust property.

Our Trustee may enter into any transaction authorized by this Article with fiduciaries of other trusts or estates in which any beneficiary hereunder has an interest, even though such fiduciaries are also Trustees under this agreement.

d. Compensation Powers

Our Trustee shall pay from income or principal all of the reasonable expenses attributable to the administration of the respective trusts created in this agreement.

Our Trustee shall pay itself reasonable compensation for its services as fiduciary as provided in this agreement, and shall reasonably compensate those persons employed by our Trustee, including agents, auditors, accountants, and attorneys.

e. Distribution Powers

Our Trustee is specifically authorized to make divisions and distributions of the trust property either in cash or in kind, or partly in cash and partly in kind, or in any proportion it deems advisable.

It shall be under no obligation or responsibility to make pro rata divisions and distributions in kind.

Our Trustee may allocate specific property to any beneficiary or share although the property may differ in kind from the property allocated to any other beneficiary or share.

The foregoing powers may be exercised regardless of the income tax basis of any of the property.

f. Income and Principal Powers

Our Trustee may determine in a fair, equitable, and practical manner how all Trustee's fees, disbursements, receipts, and wasting assets shall be credited, charged, or apportioned between principal and income.

Our Trustee may set aside from trust income reasonable reserves for taxes, assessments, insurance premiums, repairs, depreciation, obsolescence, depletion, and for the equalization of payments to or for the beneficiaries; it may select any and all accounting periods with regard to the trust property.

All increases in the value of any life insurance policies prior to the death of the insured held by this trust shall be principal and not income.

g. Investment Powers in General

Our Trustee may invest and reinvest in such classes of stocks, bonds, securities, commodities, options, metals, or other property, real or personal, as it shall determine.

It may invest in investment trusts as well as in common trust funds.

It may purchase life, annuity, accident, sickness, and medical insurance on the behalf of and for the benefit of any trust beneficiary.

h. Loan, Borrowing, and Encumbrance Powers

Our Trustee may loan money to any person, including a beneficiary, except either or both of us, with or without interest, on any term or on demand, with or without collateral, as it deems in the best interests of the trust beneficiaries.

It may borrow money upon such terms and conditions as it shall deem advisable, including, in the case of a corporate fiduciary, the power to borrow from its own banking or commercial department.

It shall have the power to obligate the trust property for the repayment of any sums borrowed where the best interests of the beneficiaries have been taken into consideration.

Our Trustee shall have the power to encumber the trust property, in whole or in part, by a mortgage or mortgages, deeds of trust, or by pledge, hypothecation or otherwise, even though such encumbrance may continue to be effective after the term of any trust or trusts created in this agreement.

i. ~~Margin, Brokerage, and Bank Account Powers~~

Our Trustee is authorized to buy, sell, and trade in securities of any nature, including short sales and on margin. Our Trustee may maintain and operate margin accounts with brokers, and may pledge any securities held or purchased by our Trustee with such brokers as securities for loans and advances made to our Trustee. Our Trustee is authorized to establish and maintain bank accounts of all types in one or more banking institutions that our Trustee may choose.

j. Mortgage Powers

Our Trustee shall have the power to enter into any mortgage whether as a mortgagee or mortgagor, to purchase mortgages on the open market, and to otherwise buy, sell, or trade in first or subordinate mortgages.

It may reduce the interest rate on any mortgage and consent to the modification or release of any guaranty of any mortgage.

Our Trustee may continue mortgages upon and after maturity with or without renewal or extension, and may foreclose any mortgage. It may purchase the mortgaged property or acquire it by deed from the mortgagor without foreclosure.

k. Nominee Powers

Our Trustee may hold any trust property in the name of our Trustee, or in the name of a nominee, and may enter into agreements to facilitate holding such property. It may accomplish such with or without disclosing its fiduciary capacity.

I. Nonproductive Property

Our Trustee may hold property which is non-income producing or is otherwise nonproductive if the holding of such property is, in the sole and absolute discretion of our Trustee, in the best interests of the beneficiaries.

m. Oil, Gas, Coal, and Other Mineral Powers

Our Trustee may do all things necessary to maintain in full force and effect any oil, gas, coal, or other mineral interests comprising part or all of the trust property.

It may purchase additional oil, gas, coal, and other mineral interests when necessary or desirable to effect a reasonable plan of operation or development with regard to the trust property.

It may buy or sell undivided interests in oil, gas, coal, and other mineral interests, and may exchange any of such interests for interests in other properties or for services.

It may execute oil, gas, coal, and other mineral leases on such terms as our Trustee may deem proper, and may enter into pooling, unitization, repressurization, and other types of agreements relating to the development, operation, and conservation of mineral properties.

Any lease or other agreement may have a duration that our Trustee deems reasonable, even though extending beyond the duration of any trust created in this agreement.

It may execute division orders, transfer orders, releases, assignments, farmouts, and any other instruments which it deems proper.

It may drill, test, explore, mine, develop, and otherwise exploit any and all oil, gas, coal, and other mineral interests, and may select, employ, utilize, or participate in any business form, including partnerships, joint ventures, co-owners' groups, syndicates, and corporations, for the purpose of acquiring, holding, exploiting, developing, operating, or disposing of oil, gas, coal, and other mineral interests.

It may employ the services of consultants or outside specialists in connection with the evaluation, management, acquisition, disposition, or development of any mineral interest, and may pay the cost of such

services from the principal or income of the trust property.

Our Trustee may use the general assets of the trusts created under this agreement for the purposes of acquiring, holding, managing, developing, pooling, unitizing, repressuring, or disposing of any mineral interest.

n. Powers of Attorney

Our Trustee may execute, deliver, and grant to any individual or corporation a revocable or irrevocable power of attorney to transact any and all business on behalf of the various trusts created in this agreement.

The power of attorney may grant to the attorney-in-fact all of the rights, powers, and discretion that our Trustee could have exercised.

o. Powers to Merge Similar Trusts

Our Trustee may merge and consolidate any trust created in this agreement with any other trust created by both or either of us, or any other person at any other time, if the other trust contains substantially the same terms for the same beneficiaries, and has at least one Trustee in common with the trust or trusts created in this agreement.

Our Trustee may administer such merged and consolidated trusts as a single trust or unit. If, however, such a merger or consolidation does not appear feasible, as determined in the sole and absolute discretion of our Trustee, the Trustee may consolidate the assets of such trusts for purposes of investment and trust administration while retaining separate records and accounts for the respective trusts.

p. Powers of an Interested Trustee

An interested Trustee is any Trustee who has an interest as a beneficiary in this trust agreement or any trust created by it. In all instances where an interested Trustee distributes, or participates in the distribution, of trust income or principal to or for the benefit of such Trustee, then the distribution shall be limited by the ascertainable standards of education, health, maintenance, and support. Notwithstanding anything in this agreement to the contrary, in making such distributions, the interested Trustee shall not use discretion in applying those ascertainable

standards.

No individual Trustee shall exercise or participate in the exercise of such discretionary power with respect to distributions to any person or persons such Trustee is legally obligated to support, as to that support obligation.

q. Powers of an Insured Trustee

Any individual Trustee under this agreement is prohibited from exercising any power conferred on the owner of any policy which insures the life of such individual Trustee and which is held as part of the trust property.

If our Trustee holds any such policy or policies as a part of the trust property, the powers conferred on the owner of such a policy shall be exercised only by the other then acting Trustee.

If the insured Trustee is the only then acting Trustee, then such powers shall be exercised by a substitute Trustee designated pursuant to the provisions of this agreement dealing with the trusteeship.

If any rule of law or court decision construes the ability of the insured Trustee to name a substitute Trustee as an incident of ownership, the substitution process shall be implemented by a majority of the then current mandatory and discretionary income beneficiaries, excluding the insured Trustee if the insured Trustee is a beneficiary.

r. Real Estate Powers

Our Trustee may make leases and grant options to lease for any term, even though the term may extend beyond the termination of any trust created under this agreement.

It may grant or release easements and other interests with respect to real estate, enter into party wall agreements, execute estoppel certificates, and develop and subdivide any real estate.

It may dedicate parks, streets, and alleys or vacate any street or alley, and may construct, repair, alter, remodel, demolish, or abandon improvements.

It may elect to insure, as it deems advisable, all actions contemplated by this subsection.

Our Trustee may take any other action reasonably necessary for the preservation of real estate and fixtures comprising a part of the trust property or the income therefrom.

s. S Corporation Stock

If any stock of an S corporation becomes distributable to a trust created under this agreement, and such trust is not a qualified Subchapter S trust, our Trustee may implement any of the following alternatives with respect to the S corporation stock:

1. A Sole Beneficiary

Where the original trust is for a sole beneficiary, our Trustee may create for that beneficiary a separate trust that qualifies as a Subchapter S trust, and then distribute such stock to the newly created trust.

2. Multiple Beneficiaries

Where the original trust is for multiple beneficiaries, our Trustee may divide the trust into separate trusts for each of the beneficiaries. Each newly created trust shall hold that beneficiary's pro rata share of the S corporation stock, and shall qualify as a Subchapter S trust.

3. Outright Distribution

If circumstances prevent our Trustee from accomplishing the first two alternatives under this paragraph, our Trustee may, in its sole and absolute discretion, distribute such stock to the beneficiaries as if the trust had terminated, while continuing to hold any other non-S corporation property in trust.

Each newly created S corporation trust shall have mandatory distributions of income and shall not provide for powers of appointment

that can be exercised by the beneficiary during the beneficiary's lifetime. In all other respects, the newly created trusts shall be as consistent as possible with the original trusts and still qualify as Subchapter S trusts.

Our Trustee may take any action necessary with regard to S corporations, including making any elections required to qualify stock as S corporation stock, and may sign all required tax returns and forms.

t. Sale, Lease, and Other Dispositive Powers

Our Trustee may sell, lease, transfer, exchange, grant options with respect to, or otherwise dispose of the trust property.

It may deal with the trust property at such time or times, for such purposes, for such considerations and upon such terms, credits, and conditions, and for such periods of time, whether ending before or after the term of any trust created under this agreement, as it deems advisable.

Our Trustee may make such contracts, deeds, leases, and any other instruments it deems proper under the immediate circumstances, and may deal with the trust property in all other ways in which a natural person could deal with his or her property.

u. Securities Powers

In addition to those other securities powers granted throughout this Article, our Trustee may retain, exercise, or sell rights of conversion or subscription with respect to any securities held as part of the trust property.

Our Trustee may vote or refrain from voting at corporate meetings either in person or by proxy, whether general or limited, and with or without substitutions.

v. Settlement Powers

Our Trustee may compromise, adjust, arbitrate, alter the terms of, or abandon any claim in favor of or against any trust created under this agreement, and may take deeds in lieu of foreclosure.

w. Trust Addition and Retention Powers

Our Trustee is authorized to receive additional trust property, whether by gift, will, or otherwise, either from us or from any other person, corporation, or entity.

Upon receipt of any additional property, our Trustee shall administer and ~~distribute the same as part of the trust property.~~

Our Trustee may retain, without liability for depreciation or loss resulting from such retention, all property constituting the trust estate at the time of its creation or thereafter received from other sources.

The foregoing shall be acceptable even though such property may not be of the character prescribed by law for the investment of trust funds or may result in inadequate diversification of the trust property.

x. Trustees' or Fiduciaries' Powers Acts

In addition to all of the powers specifically granted our Trustee in this Article, our Trustee may exercise those powers set forth under the Trustees' or Fiduciaries' Powers Acts, or their equivalent, of the State of Massachusetts, together with any amendment to such laws.

Our Trustee may perform every act reasonably necessary to administer each and every share or trust created under this agreement.

All of the powers granted to our Trustee in this Article shall be in addition to those powers conferred upon Trustees under all applicable state and federal statutes.

Each power conferred upon our Trustee under this Article, or upon Trustees in general, by applicable state or federal statutes, shall be subject to any express limitations or contrary directions contained in this agreement.

Article Thirteen

Definitions and General Provisions

Section 1. Definitions

For purposes of this agreement, the following words and phrases shall be defined as follows:

a. Adopted and Afterborn Persons

Persons who are legally adopted while they are under 18 years of age shall be treated for all purposes under this agreement as though they were the naturally born children of their adopting parents.

A child in gestation who is later born alive shall be considered a child in being throughout the period of gestation.

b. Descendants

- A person's descendants shall include all of his or her lineal descendants through all generations.

A descendant in gestation who is later born alive shall be considered a descendant in being throughout the period of gestation.

An adopted person, and all persons who are the descendants by blood or by legal adoption while under the age of 18 years of such adopted person, shall be considered descendants of the adopting parents as well as the adopting parents' ancestors.

c. Per Stirpes Distributions

Whenever a distribution is to be made to a person's descendants, per stirpes:

The distributable assets are to be divided into as many shares as there are then living children of such person and deceased children of such person who left then living descendants.

Each then living child shall receive one share and the share of each deceased child shall be divided among such child's then living descendants in the same manner.

d. Education

As used in this trust, "education" shall include:

Any course of study or instruction at an accredited college or university granting undergraduate or graduate degrees.

Any course of study or instruction at any institution for specialized, vocational, or professional training.

Any curriculum offered by any institution that is recognized for purposes of receiving financial assistance from any state or federal agency or program.

Any course of study or instruction which may be useful in preparing a beneficiary for any vocation consistent with the beneficiary's abilities and interests.

Distributions for education may include tuition, fees, books, supplies, living expenses, travel, and spending money to the extent that they are reasonable.

e. Personal Representative

For the purposes of this agreement, the term "personal representative" shall include an executor, administrator, guardian, custodian, conservator, Trustee, or any other form of personal representative.

f. Disability

Except as otherwise provided in this agreement, any individual may be treated as disabled, incompetent, or legally incapacitated if:

The individual has been declared or adjudicated as such by a court of competent jurisdiction, or

A guardian, conservator, or other personal representative of such individual's person or estate has been appointed by a court of competent jurisdiction, or

The individual has been certified as such in writing by at least two licensed physicians, or

The individual has disappeared or is absent for unexplained reasons, or the individual is being detained under duress where the individual is unable to effectively manage his or her property or financial affairs.

Section 2. The Rule Against Perpetuities

Unless sooner terminated by the express provisions of this agreement, each trust created in this agreement shall terminate twenty-one years after the death of the last survivor of the group composed of the both of us and those of our descendants living at the date this trust agreement is signed. At that time, the property held in trust shall be discharged of any further trust, and shall immediately vest in and be distributed to those persons entitled to receive or have the benefit of the income from the respective trust.

For purposes of distributions under this Section only, it shall be presumed that any person then entitled to receive any discretionary payments of the income of a separate trust is entitled to receive all of the income, and it shall be presumed that any class of persons entitled to receive discretionary payments of income is entitled to receive all of such income.

Section 3. Protective Clause

To the fullest extent permitted by law, the interests of all of the beneficiaries in the various trusts and trust property subject to this agreement shall not be alienated, pledged, anticipated, assigned, or encumbered unless specifically authorized by the terms of this agreement.

Such interests shall not be subject to legal process or to the claims of any creditors while such interests remain trust property.

Section 4. Maintaining Property in Trust

If, on the termination of any separate trust created under this agreement, a final distribution is to be made to a beneficiary for whom our Trustee holds a trust created under this agreement, such distribution shall be added to such trust rather than being distributed.

The property that is added to the trust shall be treated for purposes of administration as though it had been an original part of the trust.

Section 5. Contest Clause

If any person, including a beneficiary, shall in any manner, directly or indirectly, attempt to contest or oppose the validity of this agreement, or commences or prosecutes any legal proceedings to set this agreement aside, then in such event such person shall forfeit his or her share, cease to have any right or interest in the trust property, and shall be deemed to have predeceased both of us.

Should any person disclaim his or her interest, in whole or in part, in any trust created for his or her benefit in this trust agreement the result of which would be for that person to receive the trust property free of trust earlier than provided by the terms of the trust, then the disclaiming person shall forfeit his or her interest in the trust, shall cease to have any right or interest in the trust property, and shall be deemed to have predeceased both of us.

Section 6. Changing the Trust Situs

After the death or disability of one of us, the situs of this agreement may be changed by the unanimous consent of all of the beneficiaries then eligible to receive mandatory or discretionary distributions of net income under this agreement.

If such consent is obtained, the beneficiaries shall notify our Trustee in writing of such change of trust situs, and shall, if necessary, designate a successor corporate fiduciary in the new situs. This notice shall constitute removal of the current Trustee, if appropriate, and any successor corporate Trustee shall assume its duties as provided under this agreement.

A change in situs under this Section shall be final and binding, and shall not be subject to judicial review.

Section 7. General Matters

The following general matters of construction shall apply to the provisions of this agreement:

a. Construction

Unless the context requires otherwise, words denoting the singular may be construed as denoting the plural, and words of the plural may be construed as denoting the singular. Words of one gender may be construed as denoting another gender as is appropriate within such context.

b. Headings of Articles, Sections, and Paragraphs

The headings of Articles, Sections, and Paragraphs used within this agreement are included solely for the convenience and reference of the reader. They shall have no significance in the interpretation or construction of this agreement.

c. Notices

All notices required to be given in this agreement shall be made in writing by either:

Personally delivering notice to the party requiring it, and securing a written receipt, or

Mailing notice by certified United States mail, return receipt requested, to the last known address of the party requiring notice.

The effective date of the notice shall be the date of the written receipt or the date of the return receipt.

d. Delivery

For purposes of this agreement "delivery" shall mean:

Personal delivery to any party, or

Delivery by certified United States mail, return receipt requested to the party making delivery.

The effective date of delivery shall be the date of personal delivery or the date of the return receipt.

e. Applicable State Law

The validity of this trust shall be determined by reference to the laws of the State of Massachusetts.

Questions with regard to the construction and administration of the various trusts contained in this agreement shall be determined by reference to the laws of the state in which the trust is then currently being administered.

f. Duplicate Originals

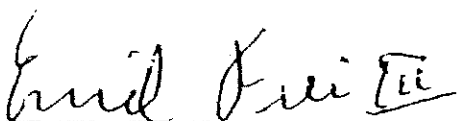
This agreement may be executed in several counterparts; each counterpart shall be considered a duplicate original agreement.

g. Severability

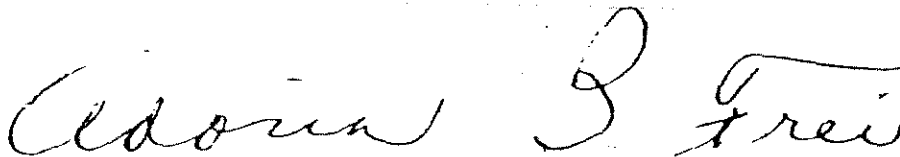
~~If any provision of this agreement is declared by a court of competent jurisdiction to be invalid for any reason, such invalidity shall not affect the remaining provisions of this agreement. The remaining provisions shall be fully severable, and this agreement shall be construed and enforced as if the invalid provision had never been included in this agreement.~~

We have executed this agreement the day and year first written above.

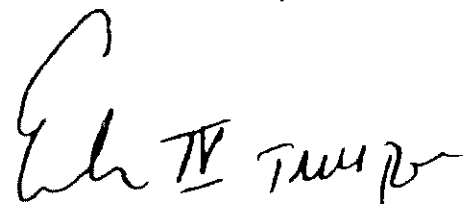
We certify that we have read our foregoing irrevocable trust agreement, and that it correctly states the terms and conditions under which our trust property is to be held, managed, and disposed of by our Trustee. We approve this irrevocable trust in all particulars, and request our Trustee to execute it.



EMIL FREI, III, Trustmaker



ADORIA B. FREI, Trustmaker



EMIL FREI, IV, Trustee



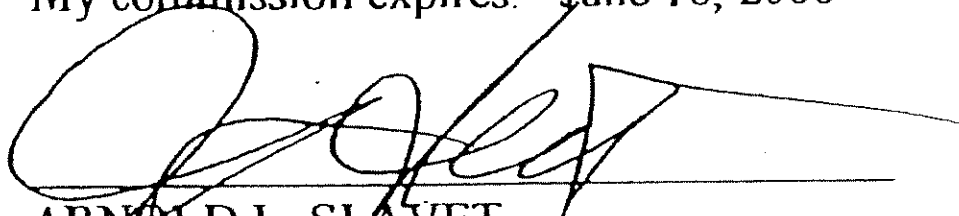
PETER AUGUSTINE BROCK, Trustee

STATE OF MASSACHUSETTS)
) ss.
COUNTY OF SUFFOLK)

The foregoing irrevocable trust agreement was acknowledged before me on October 29, 1996, by EMIL FREI, III, as Trustmaker.

Witness my hand and official seal.

My commission expires: June 16, 2000



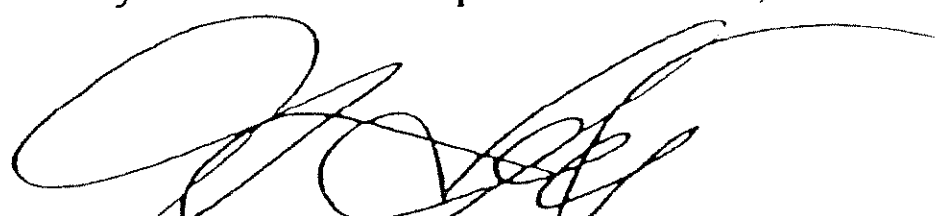
ARNOLD L. SLAVET
Notary Public

STATE OF MASSACHUSETTS)
) ss.
COUNTY OF SUFFOLK)

The foregoing irrevocable trust agreement was acknowledged before me on October 29, 1996, by ADORIA B. FREI, as Trustmaker.

Witness my hand and official seal.

My commission expires: June 16, 2000



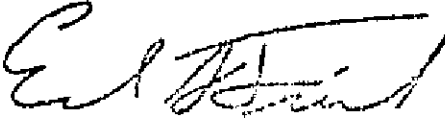
ARNOLD L. SLAVET
Notary Public

EXHIBIT “2”

ORIGINAL

FILED

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CLERK OF THE COURT

5-1
1 **ORDR**

2 DANIEL V. GOODSSELL, ESQ.

3 Nevada Bar No: 7356

4 MICHAEL A. OLSEN, ESQ.

5 Nevada Bar No: 6076

6 JENNIFER L. MICHELI, ESQ.

7 Nevada Bar No. 11210

8 **GOODSELL & OLSEN**

9 10155 W. Twain Ave., Suite 100

10 Las Vegas, Nevada 89147

11 Telephone (702) 869-6261

12 Facsimile (702) 869-8243

13 dan@goodsellolsen.com

14 mike@goodsellolsen.com

15 jennifer@goodsellolsen.com

16 Attorneys for Petitioner

17 **DISTRICT COURT**

18 **CLARK COUNTY, NEVADA**

19 In the Matter of

) Case No: P -09-065257

) Dept. No: PCI

)

20 FREI JOINT IRREVOCABLE TRUST

)

21 DATED OCTOBER 29, 1996

)


) Hearing Date: 05/01/09

) Hearing Time: 9:30 A.M.

)

22 **ORDER**

23 The Court having reviewed the Probate Commissioner's Report and
24 Recommendation Regarding Petition For Order Reforming Terms of Trust entered May 20, 2009
25 prepared by the Probate Commissioner and attached hereto, and good cause appearing therefore,
26 it is hereby ordered as follows:

27 

The parties having waived the right to object thereto.

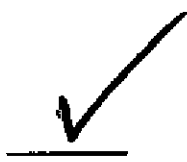
No timely objections having been filed thereto.

28 Having received the objections having been filed thereto and the written

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arguments in support of said objections, and good cause appearing,



IT IS HEREBY ORDERED the Commissioner's Report and Recommendations
are affirmed and adopted.

IT IS HEREBY ORDERED the Commissioner's Report and Recommendations
are affirmed and adopted as modified in the manner as set forth in the attachment
hereto.

IT IS HEREBY ORDERED that a hearing on the Commissioner's Report is set
for the ____ day of _____, 2009.

DATED this 10th day of June, 2009.


DISTRICT COURT JUDGE 

I hereby certify that on the date filed, copies of this order were served by placing copies in the
attorney's folders or mailing to parties in proper person at the following address(es):

Court Clerk

Submitted by:

GOODSELL & OLSEN



DANIEL V. GOODSSELL, ESQ.

Nevada Bar No: 7356

JENNIFER L. MICHELI, ESQ.

Nevada Bar No. 11210

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Attorneys for Petitioner

FILED

MAY 20 11 40 AM '09

[Signature]
CLERK OF THE COURT

RAR
DANIEL V. GOODSSELL, ESQ.
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MICHAEL A. OLSEN, ESQ.
Nevada Bar No: 6076
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Attorneys for Petitioner

DISTRICT COURT
CLARK COUNTY, NEVADA

In the Matter of)	Case No: P -09-065257
)	Dept. No: PCI
)	
FREI JOINT IRREVOCABLE TRUST)	
DATED OCTOBER 29, 1996)	
)	Hearing Date: 05/01/09
)	Hearing Time: 9:30 A.M.
)	

**PROBATE COMMISSIONER'S REPORT AND RECOMMENDATION
REGARDING PETITION FOR ORDER REFORMING TERMS OF TRUST**

STEPHEN M. BROCK's Petition to Confirm Trustees of the Frei Joint Irrevocable Trust dated October 29, 1996, for an Order Assuming Jurisdiction Over the Trust, and for an Order Reforming the Terms of the Trust having come on regularly for hearing before the Probate Commissioner of the Eighth Judicial District Court of Clark County, State of Nevada, and the Probate Commissioner having reviewed the pleadings and papers on file herein, and having heard the arguments of legal counsel representing the parties, and the Probate Commissioner

1 acting as a special master herein as provided under NRCP 53, hereby makes the following
2 findings and recommendations:

3
4 **I. PARTIES REPRESENTED AND PLEADINGS FILED**

5 The Petition to Confirm Trustees of the Frei Joint Irrevocable Trust dated October 29,
6 1996, for an Order Assuming Jurisdiction Over the Trust, and for an Order Reforming the Terms
7 of the Trust filed by STEPEHN M. BROCK (hereafter referred to as the "Petitioner"), the
8 Opposition to Petition to Confirm Trustees of the Frei Joint Irrevocable Trust dated October 29,
9 1996, for an Order Assuming Jurisdiction Over the Trust, and for an Order Reforming the Terms
10 of the Trust filed by EMIL FREI, III (hereinafter referred to as "Dr. Frei"); and Reply to
11 Opposition to Petition to Confirm Trustees of the Frei Joint Irrevocable Trust dated October 29,
12 1996, for an Order Assuming Jurisdiction Over the Trust and for an Order Reforming the Terms
13 of the Trust filed by Petitioner; came on regularly before the Probate Commissioner on May 1,
14 2009 at 9:30 p.m., wherein Daniel V. Goodsell, Esq. and Michael A. Olsen, Esq. of the law firm
15 GOODSELL & OLSEN appeared and on behalf of the Petitioner; and Elliot S. Blut, Esq. of the
16 law firm BLUT & CAMPAIN appeared on behalf of Dr. Frei.
17

18
19 **II. FINDINGS OF FACT**

20 The Probate Commissioner, after reviewing all pleadings and after hearing oral
21 arguments by counsel in this matter, being fully advised in the premises, and good cause
22 appearing, hereby finds as follows:
23

- 24 1. That Dr. Frei and ADORIA S. FREI ("Mrs. Frei") were the Trustors of the
25 Frei Joint Revocable Trust dated October 29, 1996 (the "Trust").
26 2. That ADORIA S. FREI died on January 28, 2009, thus leaving Dr. Frei as
27 the sole surviving Trustor of the Trust.
28

1 3. That EMIL FREI, IV and PETER AUGUSTINE BROCK are named in
2 the Trust to be co-trustees to the Trust.

3 4. That the co-trustees of the Trust have conducted business in the State of
4 Nevada.
5

6 5. That the United States Federal District Court of Nevada previously
7 assumed jurisdiction over the trust in case no. 2:08-cv-00371-RCJ-RJJ, captioned *Emil Frei, III,*
8 *et. al. v. The Advanced Strategies Group, Inc, et. al.*, which included as parties to the action Dr.
9 Frei, Mrs. Frei and both co-trustees to the Trust.
10

11 6. That upon a verbal report by FREDRICK P. WAID, in his capacity as the
12 guardian *ad litem* to Dr. Frei, Dr. Frei desires to reform the Trust as requested by Petitioner
13 herein to ameliorate the conflict among his family members.

14 7. That the only objection raised by any party to the reformation of the Trust
15 was Dr. Frei's allegation that this Court did not have jurisdiction over the Trust.
16

17 **III.**
18 **RECOMMENDATIONS**

19 Accordingly, the Probate Commissioner hereby makes the following
20 Recommendations having been fully advised in the premises, and good cause appearing
21 therefore,
22

23 **IT IS HEREBY RECOMMENDED** that this Court assume general jurisdiction
24 over the matter under the provisions of NRS 164.010 on the basis that the co-trustees of the Trust
25 have conducted business in the State of Nevada and have also sought to have the United State
26 Federal District Court in and for the State of Nevada assume jurisdiction over the Trust in a
27 separate civil action that was pending prior to this action.
28

1 **IT IS FURTHER RECOMMENDED** that EMIL FREI, IV and PETER
2 AUGUSTINE BROCK should be confirmed as the co-trustees of the Trust.

3 **IT IS FURTHER RECOMMENDED** that this Court should assume jurisdiction
4 over the Trust as a proceeding *in rem* as provided under NRS 164.010.
5

6 **IT IS FURTHER RECOMMENDED** that the Petition to Confirm Trustees of
7 the Frei Joint Irrevocable Trust dated October 29, 1996, for an Order Assuming Jurisdiction Over
8 the Trust, and for an Order Reforming the Terms of the Trust should be GRANTED and Section
9 1 of Article Seven of the Trust should be restated in its entirety as follows:
10

11 **Article Seven**

12 **Distribution of Our Trust Property**

13 **Section 1. Distribution of Trust Shares for Each Child**

14 The Exempt Share and the Non-Exempt Share of each child of ours who shall
15 then be living shall be administered and distributed as follows:

16 **a. Distribution of Both Exempt Share and Non-Exempt Share Upon Election of**
17 **Child**

18 Upon an election in writing by any child of ours delivered to our Trustee, the trust
19 share set aside for such child shall forthwith terminate and our Trustee shall distribute
20 all undistributed net income and principal to such child outright and free of the trust.
21 In the absence of such an election, the trust share set aside for such child shall be
22 administered and distributed as provided in subparagraphs b. and c. below of this
23 Section 1.

24 **b. Distribution of Exempt Share**

25 The undistributed Exempt Share for any child of ours shall be held in trust and
26 administered and distributed as follows:

27 **1. Distributions of Net Income of the Exempt Share**

28 Our Trustee, in its sole and absolute discretion, shall apply to, or for the benefit
of, a child or ours as much of the net income from such child's Exempt Share as
our Trustee deems advisable for the education, health, maintenance, and support
of the child.

2. Distributions of Principal of the Exempt Share

Our Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, any child of ours as much of the principal from such child's Exempt Share as our Trustee deems advisable for the education, health, maintenance, and support of the child.

3. Guidelines for Discretionary Distributions from the Exempt Share

To the extent that we have given our Trustee any discretionary authority over the distribution of income or principal from the Exempt Share to any child or ours, it is our desire that our Trustee be liberal in exercising such discretion.

In making discretionary distributions to such child, our Trustee shall be mindful of, and take into consideration to the extent it deems necessary, any additional sources of income and principal available to the child which arise outside of this agreement and are known to our Trustee, and also the income and principal available to the child from the child's Non-Exempt Share.

It is our express desire that our Trustee take into consideration the future probable needs of the child prior to making any discretionary distributions hereunder.

4. Distribution of the Exempt Share on the Death of the Child

Upon the death of any child of ours, any property in such child's Exempt Share shall be distributed to or for the benefit of the descendants of the child as the child shall appoint either by a valid last will and testament or by a valid living trust agreement. Such child may make distributions among such child's descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as the child shall determine. This limited testamentary power shall not be exercised in favor of the child's estate or the creditors of the child's estate.

To the extent that such child shall fail to exercise this limited testamentary power of appointment, any property in such child's Exempt Share shall be divided and allocated to the child's then living descendants, *per stirpes*, to be held and administered in a separate Exempt Shares for each of such descendant in accordance with subsection 5 below.

If such deceased child has no then living descendants, any property in such child's Exempt Share shall be divided and allocated to our then living descendants, *per stirpes*, to be added to the Exempt Shares being held and administered for each of such descendants or, if no Exempt Share is being held for a descendant, to be held for that descendant in an Exempt Share in accordance with subsection 5 below. If we have no then living descendants, our Trustee shall distribute such trust property as provided in Article Eight of this agreement.

5. Distribution of Exempt Shares for Descendants

Any Exempt Shares established pursuant to subsection 4 above or pursuant to this subsection 5 shall be held and administered upon the same terms and provisions set forth in this Section 1 that governed the Exempt Share for the child during the child's lifetime.

Upon the death of any beneficiary for whom an Exempt Share shall have been established pursuant to subsection 4 or this subsection 5, any property in such beneficiary's Exempt Share shall be distributed to or for the benefit of the descendants of such beneficiary as such beneficiary shall appoint either by a valid last will and testament or by a valid living trust agreement. Such beneficiary may make distributions among his or her descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as such beneficiary shall determine. This limited testamentary power shall not be exercised in favor of the estate or the creditors of the estate of such beneficiary.

To the extent that any such beneficiary shall fail to exercise this limited testamentary power of appointment, any property in the Exempt Share of such beneficiary shall be divided and allocated to such beneficiary's then living descendants; *per stirpes*, to be held and administered in separate Exempt Shares for each of such descendants.

Upon the death of the descendants of such beneficiary for whom Exempt Shares shall have been established, and upon the death of their descendants for whom Exempt Shares shall have been established, generation to generation, until the expiration of the period described in Section 2 of Article Thirteen of this agreement, Exempt Shares shall be established for the descendants of a deceased beneficiary, *per stirpes*, and held and administered pursuant to the provisions of this subsection 5. Upon the expiration of the period described in Section 2 of Article Thirteen, such shares shall be distributed as therein provided

If any beneficiary of an Exempt Share established pursuant to subsection 4 or this subsection 5 has no descendants living at his or her death, any property in the Exempt Share of such beneficiary shall be divided and allocated to the then living descendants of the marriage of the parents of such beneficiary, *per stirpes*, and, if there are no then living descendants of the marriage of the parents of such beneficiary, to the then living descendants of the deceased child of ours, *per stirpes*, and if there are no then living descendants of such deceased child, to our then living descendants, *per stirpes*, in each case to be added to the Exempt Share being held or administered for each of such descendants or if no Exempt Share is being held for a descendant, to be held for that descendant in an Exempt Share in accordance with this subsection 5.

If we have no then living descendants, our Trustee shall distribute such trust property as provided in Article Eight of this agreement.

c. **Distribution of the Non-Exempt Share**

The undistributed Non-Exempt Share for a child of ours shall be distributed as follows:

1. Distribution of the Non-Exempt Share

The trust share set aside for such child shall forthwith terminate and our Trustee shall distribute all undistributed net income and principal to such child free of the trust.

2. Distribution of the Non-Exempt Share on the Death of the Child

A deceased child of ours shall have the unlimited and unrestricted testamentary general power to appoint, by a valid last will and testament or by a valid living trust agreement, any property remaining in her Non-Exempt Share, the distribution of which would otherwise constitute a taxable generation-skipping transfer. In exercising this testamentary general power of appointment, such child shall specifically refer to this power. Such child shall have the sole and exclusive right to exercise this testamentary general power of appointment. This testamentary general power of appointment specifically grants to such child the right to appoint property to such child's own estate. It also specifically grants to such child the right to appoint the property among persons, corporations, or other entities in equal or unequal proportions, and on such terms and conditions, whether outright or in trust, as she may elect. Any property in the Non-Exempt Share of such child which is not distributed pursuant to the exercise of this testamentary general power of appointment or is not subject to such power because it is not taxable as a generation-skipping transfer shall be distributed to the then living descendants of such child, *per stirpes*.

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1 If such child has no then living descendants, our Trustee shall distribute the
2 balance of the property of the Non-Exempt Share to our then living descendants,
3 *per stirpes*. If we have no then living descendants, our Trustee shall distribute the
4 remaining trust property as provided in Article Eight of this agreement.

5 DATED this 14th day of May, 2009.

6 **WESLEY F. YAMASHITA**

7 **PROBATE COMMISSIONER** *se*

8 Submitted by:

9 GOODSELL & OLSEN

10 
11 _____
12 DANIEL V. GOODSSELL, ESQ.

13 Nevada Bar No: 1356

14 MICHAEL A. OLSEN, ESQ.

15 Nevada Bar No: 6076

16 10155 W. Twain Ave., Suite 100

17 Las Vegas, Nevada 89147

18 Attorneys for Petitioner

GOODSELL & OLSEN

ATTORNEYS AT LAW
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NOTICE

Pursuant to NRCP 53, you are hereby notified you have ten (10) days from the date you are served with the foregoing Report and Recommendation within which you may file a written objection.

I HEREBY CERTIFY that service of the foregoing Report and Recommendation was made this 20th day of May, by depositing a true and correct copy of the aforementioned document in the U.S. Mail, postage prepaid, first class mail, addressed to:

Judy Frei
839 Columbian Avenue
Oak Park, IL 60302-1557

Mary Frei
63 Park Avenue
Bedford Hills, NY 10807

Alice Frei
2401 Dorrington Street
Houston, TX 77030

Nancy Frei
12506 Queensbury
Houston, TX 77024

Emil Frei IV
3 Basswood Lane
Andover, MA 01810
John Brock
P.O. Box 127
Santa Barbara, CA 93102

Francis Brock
215 Creek Walk Drive
Walkersville, MD 21793
Peter Brock
Box 362
Garrett Park, MD 20896

Stephen Brock
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Las Vegas, NV 89118

Vincent Brock
15549 La Subida Drive
Hacienda Heights, CA 91745

Chelsea Frei
3 Basswood Lane
Andover, MA 01810

Jeremiah Frei-Pearson
63 Park Avenue
Bedford Hills, NY 10807

Carly Frei
3 Basswood Lane
Andover, MA 01810

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Emil Frei-Howe
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Jonathan Richard Brock
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Las Vegas, NV 89118

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Jerry R. Frei
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Elizabeth Frei
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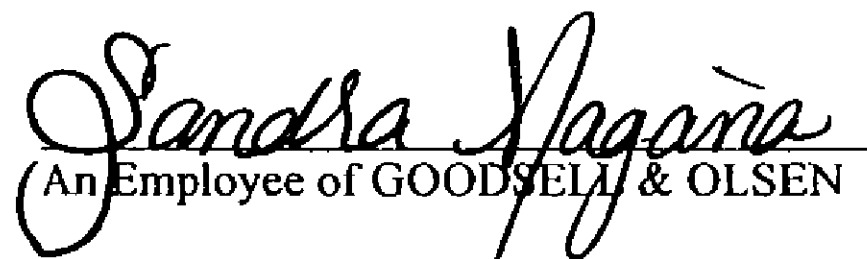
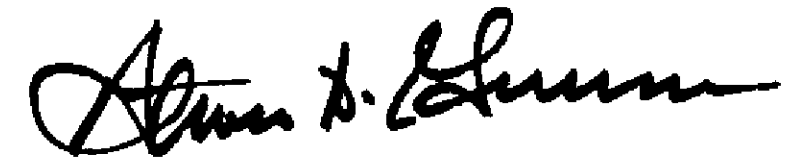

(An Employee of GOODSELL & OLSEN)

EXHIBIT “3”



CLERK OF THE COURT

ORDER

DANA A. DWIGGINS, ESQ.

Nevada Bar No. 7049

ddwiggins@sdfnlaw.com

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Cheyenne West Professional Centre

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Las Vegas, Nevada 89129

Telephone: (702) 853-5483

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Attorneys for STEPHEN BROCK,

Trustee of the Adoria S. Frei Trust - 1999

DISTRICT COURT**CLARK COUNTY, NEVADA**

In the Matter of

ADORIA S. FREI TRUST - 1999, dated,
September 14, 1999

Case No.: P-09-065235-E

Dept No.: PC1

Date of Hearing: June 4, 2010**Time of Hearing: 9:30 p.m.****ORDER APPROVING SETTLEMENT AGREEMENT**

This matter came on before Probate Commissioner Wesley Yamashita for a status hearing on June 4, 2010, regarding settlement between the parties relating to the Adoria Frei Trust - 1999, dated September 14, 1999, as amended, and the Estate of Adoria Frei. Dana A. Dwiggins, Esq., of the law firm SOLOMON DWIGGINS FREER & MORSE, LTD., appeared as counsel for Stephen Brock, Trustee of the Adoria Frei Trust - 1999, dated September 14, 1999, as amended; and Christopher J. Phillips, Esq., of the law firm TRENT, TYRELL & PHILLIPS, appeared as counsel for Peter Brock, the Personal Representative of the Estate of Adoria Frei. The Court hearing the representations of counsel and having reviewed the pleadings and attachments thereto, including that certain Minute Order entered by the Honorable Judge Kenneth C. Cory in Case No. A-09-588750-C, the Court finds as follows:

1. On March 31, 2010, the parties, namely Stephen Brock, individually, as the prior attorney in fact for Emil Frei, III and Adoria Frei, and as beneficiary and Successor Trustee of the Adoria Frei Trust, the Adoria Trust, and Public Company Management Corporation and its affiliates and subsidiaries, Emil Frei, III, individually and as beneficiary of the Adoria Frei Trust, beneficiary of the Estate of Adoria Frei, as Trustee and as beneficiary of the Emil Frei, III Trust, 1999 Trust, as amended ("Emil Frei Trust"), Emil

1 Frei, IV, as attorney in fact for Emil Frei, III, Lawrence Howe, individually, and Emil Frei, IV, Nancy Frei,
2 Elizabeth Frei, Judith Frei and Nancy Frei, individually and in their capacities as beneficiaries of the Emil
3 Frei Trust, reached a global settlement agreement pertaining to the instant action as well as Eighth Judicial
4 District Court Case Nos. A-09-588750-C, A-10-A609292-C and A-10-607772-C. The substantive terms
5 of the settlement agreement were placed on the record in open court before the Honorable Kenneth C. Cory
6 and became the subject of a minute order ("Settlement Agreement"). A copy of the transcript of such minute
7 order was submitted to this Court for approval. The substantive terms of the agreement are as follows:

8 a. The Emil Frei Trust shall receive assets in the total amount of \$400,000 consisting
9 of (i) the Bank of America Investment Account Nos. L56-070602 and L56-070610, less the PCMC stock
10 held in such accounts which shall be assigned to the Adoria Trust; Stephen Brock represents that such
11 account has an approximate balance of \$190,000, as of the March 2010, statement, less the value of the
12 PCMC stock; (ii) the surrender value of a New York Life Insurance Policy 43 926 238 with a death benefit
13 of \$180,000 (the current cash value of which is approximately \$140,000); and (iii) to the extent the
14 foregoing amounts are less than \$400,000, the difference in such amount shall be paid from Snell Wilmer,
15 LLP's Trust Account. All remaining amounts held in Snell Wilmer, LLP's Trust Account shall be paid to
16 the Adoria Frei Trust. Dr. Frei shall cooperate, if necessary, in surrendering the foregoing life insurance
17 policy.

18 b. Subject to Paragraph 1(d) herein, Stephen Brock, individually, will pay a total sum
19 in the amount of \$175,000 to the Emil Frei Trust. Said amount shall be treated as repayment of any loan
20 made by the Adoria Frei Trust to Stephen Brock.

21 c. Subject to Paragraph 1(d) herein, Stephen Brock, individually, will pay a total sum
22 in the amount of \$150,000 to the Emil Frei Trust and Stephen Brock, individually and/or the Adoria Frei
23 Trust will pay an additional sum of \$90,000 to the Emil Frei Trust, for a total of \$240,000.

24 d. The amounts set forth in Paragraphs 1(b) and 1(c) herein, shall be paid with interest
25 commencing on June 1, 2010, at the rate of prime interest plus one percent per annum, payable over the
26 course of three (3) years at \$5,000 per month, with the outstanding balance paid on May 31, 2013, unless
27 otherwise paid sooner. Said amount shall be secured by Stephen Brock's interest in The Frei Irrevocable
28 Trust, dated October 29, 1996 ("Joint Life Insurance Trust"), which shall not be disclaimed by Stephen

1 Brock. Stephen Brock represents that he has not previously assigned or otherwise disclaimed his interest
2 under said life insurance trust. In the event the joint life insurance policy held by the Joint Life Insurance
3 Trust is sold, then any amounts received by Stephen Brock pursuant to the terms of the Joint Life Insurance
4 Trust may, in the sole discretion of Stephen Brock, be applied to the then outstanding principal balance, or
5 in the event Stephen Brock elects not to apply such amount to the then outstanding principal, Stephen Brock
6 shall provide adequate replacement security for the then outstanding principal balance. In the event Stephen
7 Brock defaults on any payments there shall be imposed a penalty in the amount of five percent per annum
8 of such defaulted payment.

9 e. Stephen Brock, individually, will pay an additional sum in the amount of \$100,000
10 to the Emil Frei Trust. Said amount shall be repaid with interest at the rate of six percent per annum,
11 payable over the course of one (1) year at \$5,000 per month, with the first payment and interest commencing
12 on June 1, 2013, and the outstanding balance paid on May 31, 2014, unless otherwise paid sooner.

13 f. Stephen Brock, individually, will pay an additional sum in the amount of \$100,000
14 to the Emil Frei Trust. Said amount shall be repaid with interest at the rate of six percent per annum,
15 payable over the course of one (1) year at \$5,000 per month, with the first payment and interest commencing
16 on June 1, 2014, and the outstanding balance paid on May 31, 2015, unless otherwise paid sooner.

17 g. All real property held in the name of Emil Frei, III, Adoria Frei and/or the Adoria Frei
18 Trust, including but not limited to certain real property located at 5780 El Camino Road, Las Vegas, Nevada,
19 10802 Kenilworth Avenue, Garrett Park, including the home and the lot, and 401 Grosvenor Place,
20 Rockville, shall remain in the Adoria Frei Trust. The Adoria S. Frei Trust shall make reasonable efforts
21 to refinance such properties so as to remove Emil Frei, III's name from any loans thereon, if any. In the
22 event there is a foreclosure on the El Camino property that results in a deficiency judgment against Emil
23 Frei, III, individually, said amount shall be paid from Stephen Brock's interest in the Joint Life Insurance
24 Trust, which shall not be disclaimed by Stephen Brock.

25 h. Emil Frei, III shall be responsible for any and all fees and costs incurred by Fredrick
26 Waid, Esq., as the Guardian Ad Litem for Emil Frei, III, including but not limited to fees incurred by
27 Hutchison & Steffen on his behalf.

28 i. The outstanding 2008 tax liability relating to the 1040 filed on behalf of Emil Frei,

1 III and Adoria Frei shall be equally split between Emil Frei, III and the Adoria Frei Trust, provided, however,
2 that the Adoria Frei Trust shall be entitled to make payments on such tax liability.

3 j. Emil Frei, III's interest in certain litigation involving Grand Canyon Construction and
4 Development and Stagecoach Homes, LLC, in Case No. A520276, shall be assigned by Emil Frei, III to
5 Stephen Brock, individually.

6 k. Neither Emil Frei, III, Elizabeth Frei, Emil Frei, IV, Judith Frei, Lawrence Howe,
7 Nancy Frei and/or Alice Frei shall directly or indirectly disparage Stephen Brock, Public Company
8 Management Corporation, Go Public Today, or any of their affiliates or subsidiaries, and shall not file or
9 make any complaint or cause to be filed or make any complaint by any other third party with the Security
10 Exchange Commission or any other governmental agency, state or federal, relating to Public Company
11 Management Corporation, Go Public Today, or any of their affiliates or subsidiaries. Emil Frei, III,
12 Elizabeth Frei, Emil Frei, IV, Judith Frei, Lawrence Howe, Nancy Frei and/or Alice Frei additionally
13 represent that any complaints or inquiries previously made by any of them, either directly or indirectly, to
14 any other governmental agency, state or federal, will be withdrawn and no further complaints or inquiries
15 will be made by any of them, either directly or indirectly. To the extent any costs are incurred by Stephen
16 Brock, Public Company Management Corporation, Go Public Today, or any of their affiliates or subsidiaries
17 subsequent to the Settlement as a result of any complaint or inquiry made to any governmental agency, state
18 or federal, then such costs shall be deducted from the amounts owed or paid by Stephen Brock pursuant to
19 the terms of the Settlement. Any previously assessed costs are not included in this paragraph.

20 l. Except as to the terms provided herein, Stephen Brock, individually, as the prior
21 attorney in fact for Emil Frei, III and Adoria Frei, and as beneficiary and Successor Trustee of the Adoria
22 Frei Trust, any and all of his heirs, the Adoria Trust, and Public Company Management Corporation and its
23 affiliates and subsidiaries, on the one hand, and Emil Frei, III, individually and as beneficiary of the Adoria
24 Frei Trust, beneficiary of the Estate of Adoria Frei, as Trustee and as beneficiary of the Emil Frei, III Trust,
25 1999 Trust, as amended, Emil Frei, IV, as attorney in fact for Emil Frei, III, Lawrence Howe, Emil Frei, IV,
26 Nancy Frei, Elizabeth Frei, Judith Frei and Alice Frei, and any and all of their heirs, on the other hand, shall
27 be granted a full mutual general release as to one another as to any matters concerning the Adoria Frei Trust,
28 the Emil Frei Trust, Adoria Frei and/or Emil Frei, III and Case Nos. P-09-065235-E, A-09-588750-C, A-10-

1 A609292-C and A-10-607772-C.

2 m. Emil Frei, III shall waive any further interest in the Adoria Frei Trust, including any
3 right to receive an accounting of such trust, and shall no longer be considered a beneficiary.

4 n. The interest or collateral payments on the joint life insurance policy on the life of Emil
5 Frei, III held by the Joint Life Insurance Trust with a death benefit of approximately \$8 million shall be paid
6 equally by Emil Frei, III and/or any of his children, on the one hand, and the Adoria Frei Trust and/or any
7 of Adoria Frei's children, on the other hand. It is represented that the current interest and collateral
8 payments are approximately \$30,000 per year. In the event premiums are due on such policy, the parties
9 shall cooperate with one another in making such payments and the trustee(s) shall be authorized to make
10 reasonable efforts to obtain premium financing and/or other financing in order to make such payments. In
11 the event any payments due under the policy are made disproportionate by any beneficiary, then said
12 beneficiary shall be entitled to reimbursement of said amount from the gross proceeds of the life insurance
13 policy. Emil Frei, III and/or his children shall be responsible for the premium or interest payments on the
14 single life insurance policy held in The Emil Frei, III Irrevocable Trust, October 29, 1996.

15 o. All proceedings currently pending before the Probate Court relating to the Adoria Frei
16 Trust, Case No. P065235-T, shall be dismissed with prejudice.

17 p. Any and all actions initiated by and against Stephen Brock, Public Company
18 Management Corporation, Emil Frei, III and/or his children in Case Nos. A-09-588750-C, A-10-A609292-C
19 and A-10-607772-C shall be dismissed with prejudice.

20 q. Stephen Brock shall waive any and all interest in the Emil Frei Trust.

21 r. Stephen Brock, Public Company Management Corporation, NEDAB, or any of their
22 affiliates, shall not use Emil Frei, III's name or likeness in any manner.

23 s. The parties consent to the filing of petition(s) in the Probate Court, to the extent
24 necessary, to confirm the Settlement and to confirm that Stephen Brock, individually, shall not disclaim or
25 otherwise assign his interest in the Joint Life Insurance Trust.

26 t. Stephen Brock will cooperate to provide Emil Frei, III with keys to the storage
27 facilities in Nevada and Maryland that contain Emil Frei, III's personal property. Stephen Brock represents
28 that the items from Emil Frei, III's Las Vegas residence were packed by a professional moving company and

1 placed in storage and that he has not removed any items from either storage facilities. Stephen Brock
2 additionally will provide a copy of any inventory list of the storage facility to Emil Frei, III. Stephen Brock
3 represents to the best of his knowledge that a certain urn and mosaic table are contained within the Maryland
4 storage; however, he has not been to Maryland to see such items but he will contact Peter Brock to see if the
5 urn and mosaic table were taken from the condominium and placed in storage.

6 u. Stephen Brock represents that taxes were withheld from the amounts liquidated or
7 withdrawn from Jackson National Life Insurance Company and Pacific Life Annuity in 2009.

8 2. That the Estate of Adoria Frei shall be granted a full general release by Emil Frei, III, Emil
9 Frei, IV, Nancy Frei, Elizabeth Frei, Judith Frei and Nancy Frei.

10 3. The parties have engaged in substantial litigation involving the Adoria Frei Trust, and entered
11 into the Settlement Agreement to settle and compromise the issues between them.

12 4. That it is in the best interests of the Adoria Frei Trust and the Estate of Adoria Frei to enter
13 into a compromise with regard to the subject matter of the Settlement Agreement upon the terms and
14 conditions set forth herein.

15 5. That, as of June 1, 2010, Dana Dwiggins, Esq. is in the possession of a check issued by
16 Stephen Brock made payable to the Emil Frei Trust in the amount of \$5,000 and that, upon entry of this
17 Court's order, Ms. Dwiggins shall cause such check to be delivered to counsel for Emil Frei, III.

18 6. That no term of the Settlement Agreement shall be construed as a release of any claim John
19 Brock, Peter Brock, Vincent Brock and/or Francis Brock may have against Stephen Brock relating to the
20 Adoria Frei Trust and the Order of this Court further shall not operate as claim preclusion or issue preclusion
21 of any subsequent action initiated by John Brock, Peter Brock, Vincent Brock and/or Francis Brock, if any,
22 against Stephen Brock relating to the Adoria Frei Trust.

23 Good cause appearing therefore,

24 IT IS HEREBY ORDERED that the Settlement Agreement, as set forth in the Minute Order entered
25 before the Honorable Judge Kenneth C. Cory on March 31, 2010, a copy of which is attached hereto as
26 Exhibit 1 and as further set forth herein as Paragraphs 1(a) through 1(u) shall be, and is hereby, approved
27 and confirmed by this Court and the terms thereof are incorporated as a part of this Order as if fully set forth
28 herein.

1 IT IS HEREBY FURTHER ORDERED that, pursuant to the Settlement Agreement of the parties
2 as set forth in the Minute Order entered by the Honorable Judge Kenneth C. Cory on March 31, 2010,
3 Stephen Brock, individually, as the prior attorney in fact for Emil Frei, III and Adoria Frei, and as beneficiary
4 and Successor Trustee of the Adoria Frei Trust, and any and all of their heirs, the Adoria Trust, and Public
5 Company Management Corporation and its affiliates and subsidiaries, on the one hand, and Emil Frei, III,
6 individually and as beneficiary of the Adoria Frei Trust, beneficiary of the Estate of Adoria Frei, as Trustee
7 and as beneficiary of the Emil Frei, III Trust, 1999 Trust, as amended, Emil Frei, IV, as attorney in fact for
8 Emil Frei, III, Lawrence Howe, Emil Frei, IV, Nancy Frei, Elizabeth Frei, Judith Frei and Alice Frei, and
9 any and all of their heirs, on the other hand, shall be, and hereby are, granted a full mutual general release
10 as to one another as to any matters concerning the Adoria Frei Trust, the Emil Frei Trust, Adoria Frei and/or
11 Emil Frei, III and Case Nos. P-09-065235-E, A-09-588750-C, A-10-A609292-C and A-10-607772-C.

12 IT IS HEREBY FURTHER ORDERED that the Estate of Adoria Frei shall be, and is hereby,
13 granted a full release by Emil Frei, III, Emil Frei, IV, Nancy Frei, Elizabeth Frei, Judith Frei and Alice Frei.
14 as to any matters concerning the Adoria Frei Trust, the Emil Frei Trust, Adoria Frei and/or Emil Frei, III.

15 IT IS HEREBY FURTHER ORDERED that that portion of this Court's Order entered August 4,
16 2009, restraining and enjoining any and all persons from transferring, encumbering, concealing, transmuting
17 or selling the funds or proceeds of funds withdrawn from Bank of America Investment Services Brokerage
18 Account Nos. L56-070602 and L56-070610 shall be vacated.

19 IT IS HEREBY FURTHER ORDERED that Stephen Brock, on behalf of the Adoria Frei Trust
20 and/or Estate of Adoria Frei, Emil Frei, III and/or Emil Frei, IV, as the attorney in fact for Emil Frei, III, shall
21 be authorized and directed to take any and all action necessary to effectuate the terms of the Settlement
22 Agreement, including but not limited to executing any and all documents necessary in order to: (1) surrender
23 the New York Life Insurance Policy No. 43 926 283 so as to allow such amount to be paid to the Emil Frei
24 Trust; and (2) to transfer the PCMC stock held in Bank of America Investments Accounts Nos. L56-070602
25 and L56-070610 to the Adoria Frei Trust and, upon transfer of the same, to thereafter transfer Bank of
26 America Investments Accounts Nos. L56-070602 and L56-070610 to the Emil Trust.

27 IT IS HEREBY FURTHER ORDERED that, upon receipt by the Emil Frei Trust of the assets set
28 forth herein from New York Life Insurance and Bank of America Investments pursuant to the terms of the


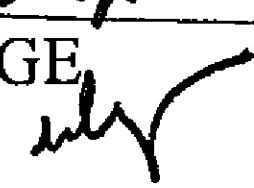
1 Settlement Agreement, counsel for Stephen Brock and counsel for Emil Frei, III, shall jointly submit an
2 instruction letter to Snell Wilmer, LLP of the amount necessary, if any, to be transferred to the Emil Frei
3 Trust pursuant to the terms of the Settlement Agreement from the amounts currently held in its trust account
4 on behalf of Emil Frei, III and/or Adoria Frei, with the balance of said trust account being transferred to the
5 Adoria Frei Trust.

6 IT IS HEREBY FURTHER ORDERED that the Petition to Compel Accounting filed by Emil Frei,
7 III shall be dismissed and any hearing on the same shall be vacated.

8 IT IS HEREBY FURTHER ORDERED that all claims asserted by the parties in the proceedings
9 involving the Adoria Frei Trust shall be dismissed with prejudice.

10 IT IS HEREBY FURTHER ORDERED that Fredrick Waid, Esq. shall be released and discharged
11 of his duties as Guardian Ad Litem for Emil Frei, III and any fees incurred by or on behalf of Fredrick Waid,
12 Esq., as Guardian Ad Litem for Emil Frei, III shall be paid by Emil Frei, III.

13 _____ DATED this 17th day of June, 2010.

14 
15
16 DISTRICT COURT JUDGE
17 

18 Submitted By:

19 SOLOMON DWIGGINS FREER & MORSE, LTD.

20 By: 

21 Dana A. Dwiggins, Esq.
22 Cheyenne West Professional Centre'
23 9060 W. Cheyenne Avenue
24 Las Vegas, Nevada 89129

25 Attorney for STEPHEN BROCK, Trustee of the
26 Adoria S. Frei Trust - 1999

27 Approved By:

28 BLUT & CAMPAIN, APC

By: _____

Elliot S. Blut, Esq.
300 S. Fourth Street, Suite 701
Las Vegas, Nevada 89101

Attorney for EMIL FREI, III

1 Settlement Agreement, counsel for Stephen Brock and counsel for Emil Frei, III, shall jointly submit an
2 instruction letter to Snell Wilmer, LLP of the amount necessary, if any, to be transferred to the Emil Frei
3 Trust pursuant to the terms of the Settlement Agreement from the amounts currently held in its trust account
4 on behalf of Emil Frei, III and/or Adoria Frei, with the balance of said trust account being transferred to the
5 Adoria Frei Trust.

6 IT IS HEREBY FURTHER ORDERED that the Petition to Compel Accounting filed by Emil Frei,
7 III shall be dismissed and any hearing on the same shall be vacated.

8 IT IS HEREBY FURTHER ORDERED that all claims asserted by the parties in the proceedings
9 involving the Adoria Frei Trust shall be dismissed with prejudice.

10 IT IS HEREBY FURTHER ORDERED that Fredrick Waid, Esq. shall be released and discharged
11 of his duties as Guardian Ad Litem for Emil Frei, III and any fees incurred by or on behalf of Fredrick Waid,
12 Esq., as Guardian Ad Litem for Emil Frei, III shall be paid by Emil Frei, III.

13 _____ DATED this _____ day of June, 2010.

14
15
16 DISTRICT COURT JUDGE

17 Submitted By:

18 SOLOMON DWIGGINS FREER & MORSE, LTD.

19 By: _____

20
21 Dana A. Dwiggin, Esq.
22 Cheyenne West Professional Centre
23 9060 W. Cheyenne Avenue
24 Las Vegas, Nevada 89129

25 Attorney for STEPHEN BROCK, Trustee of the
26 Adoria S. Frei Trust - 1999
27
28

Approved By:

BLUT & CAMPAIN, APC

By:  _____

Elliot S. Blut, Esq.
300 S. Fourth Street, Suite 701
Las Vegas, Nevada 89101

Attorney for EMIL FREI, III

Exhibit 1

ORIGINAL

Allen D. Blum

CLERK OF THE COURT

DISTRICT COURT
CLARK COUNTY, NEVADA
* * * * *

EMIL FREI, III

Plaintiff

vs.

PUBLIC COMPANY MANAGEMENT
CORP., et al.

Defendant

CASE NO. A-588750

DEPT. NO. I

Transcript of
Proceedings

BEFORE THE HONORABLE KENNETH C. CORY, DISTRICT COURT JUDGE

PORTION OF JURY TRIAL - DAY 3
(PLACING OF SETTLEMENT ON THE RECORD)

WEDNESDAY, MARCH 31, 2010

APPEARANCES:

FOR THE PLAINTIFF:

ELLIOT S. BLUT, ESQ.

FOR THE DEFENDANTS:

WILLIAM R. URGAS, ESQ.
DANA A. DWIGGINS, ESQ.

ALSO PRESENT:

DR. EMIL FREI, III
MS. MARY FREI

COURT RECORDER:

TRANSCRIPTION BY:

BEVERLY SIGURNIK
District Court

FLORENCE HOYT
Las Vegas, Nevada 89146

Proceedings recorded by audio-visual recording, transcript
produced by transcription service.

COPY

DISTRICT COURT
CLARK COUNTY, NEVADA
* * * * *

EMIL FREI, III

Plaintiff

vs.

PUBLIC COMPANY MANAGEMENT
CORP., et al.

Defendant
.....

CASE NO. A-588750

DEPT. NO. I

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Proceedings

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PORTION OF JURY TRIAL - DAY 3
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APPEARANCES:

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ELLIOT S. BLUT, ESQ.

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ALSO PRESENT:

DR. EMIL FREI, III
MS. MARY FREI

COURT RECORDER:

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BEVERLY SIGURNIK
District Court

FLORENCE HOYT
Las Vegas, Nevada 89146

Proceedings recorded by audio-visual recording, transcript
produced by transcription service.

1 LAS VEGAS, NEVADA, WEDNESDAY, MARCH 31, 2010, 2:20 P.M.

2 (Prior proceedings not transcribed)

3 (Jury is not present)

4 THE COURT: All right. We are on the record. My
5 understanding is there is a settlement in this case.

6 MR. BLUT: That's correct, Your Honor.

7 MR. URGAS: That is true, Your Honor. In fact, it's
8 going to be a global settlement that will relate to a case
9 that's pending in the Probate Court and also other litigation
10 that's pending in other courtrooms in the District Court here
11 between the parties. And I'm going to request that Dana
12 Dwiggins present the settlement offer, because she has spent
13 the lion's share of the time negotiating with Mr. Blut and has
14 the details.

15 THE COURT: All right. Ms. Dwiggins.

16 MS. DWIGGINS: I'm going to just review it,
17 primarily.

18 The Emil Frei, III, Trust as amended will receive
19 assets in the total amount of 400,000, consisting of certain
20 Bank of America investment accounts, less the PCMC stock which
21 is held in those accounts. The PCMC stock shall be assigned
22 to the Adoria S. Frei Trust. She'll also --

23 The Emil Frei, III, Trust shall also receive the
24 surrender value of a New York Life Insurance Policy Number
25 43926238 that has a current death benefit of 180,000 and a

1 cash value of approximately 140,000. And to the extent the
2 foregoing amounts are less than 400,000, the difference in
3 such amounts shall be paid from the funds currently held in
4 trust with Attorney Pat Byrne in his trust account.

5 Any remaining funds in that trust account shall be
6 paid over to the Adoria S. Frei Trust, and Dr. Frei shall
7 cooperate, if necessary, in surrendering the New York Life
8 Insurance policy that's referenced.

9 I guess I can't say subject to paragraph 4, can I?
10 Well, let me start -- that was paragraph 1.

11 Paragraph 2, subject to paragraph 4, Stephen Brock
12 individually will pay a total sum in the amount of \$175,000 to
13 the Emil Frei, III, Trust as amendment [sic]. Said amount
14 shall be treated as repayment of any loan made by the Adoria
15 S. Frei Trust to Stephen Brock.

16 Paragraph 3, subject also to paragraph 4, Stephen
17 Brock individually will pay a total sum of \$150,000 to the
18 Emil Frei, III, Trust, as amended, and Stephen Brock
19 individually and/or the Adoria S. Frei Trust will pay an
20 additional total sum of \$90,000 to the Emil Frei, III, Trust
21 as amended, for a total of \$240,000.

22 Paragraph 4, the amounts set forth above, namely
23 being the 170,000 [sic], the 150,000, and the 90,000, shall be
24 paid with interest commencing on June 1st, 2010, at the rate
25 of prime interest plus 1, payable over the course of three

1 years at 5,000 per month, with the outstanding balance paid on
2 May 31st, 2013, unless otherwise paid sooner. This amount
3 shall be secured by Stephen Brock's interest in the joint life
4 insurance policy, which shall not be disclaimed by Stephen
5 Brock. In the event the policy is sold, then any amounts
6 received by Stephen Brock pursuant to his interest in the
7 joint life insurance trust shall at Stephen Brock's option
8 either be applied to principal or, in the event not applied to
9 principal, Stephen Brock shall substitute the security with
10 some other adequate security.

11 Stephen Brock further represents that he has not
12 previously assigned or otherwise disclaimed his interest in
13 the joint life insurance trust.

14 In the event there is a default in any of the
15 payments there shall be a default interest rate of 5 percent.

16 Paragraph Number 5, Stephen Brock individually will
17 pay an additional sum in the amount of \$100,000 to the Emil
18 Frei, III, Trust as amendment [sic], said amount, which shall
19 be repaid with interest at the rate of 6 percent, payable over
20 the course of one year at 5,000 per month, with the first
21 payment and interest commencing on June 1st, 2013, and the
22 outstanding balance paid on May 31st, 2014, unless otherwise
23 paid sooner.

24 Paragraph 6, Stephen Brock additionally -- or,
25 excuse me. Stephen Brock individually will pay an additional

1 sum in the amount of \$100,000 to the Emil Frei, III, Trust as
2 amendment, which amount shall be repaid with interest at the
3 rate of 6 percent, payable over the course of one year at
4 5,000 per month, with the first payment and interest
5 commencing on June 1st, 2014, and the outstanding balance paid
6 on May 31st, 2015, unless otherwise paid sooner.

7 Paragraph 7, all real property held in the name of
8 Emil Frei, III, Adoria Frei, and/or the Adoria Frei Trust,
9 including, but not limited to, certain real property located
10 at 5780 El Camino Road, Las Vegas, Nevada; real property
11 located at 10802 Kennelworth Avenue, Garrett Park, including
12 the home and the lot; and certain real property located at 401
13 Grossner Place, Rockville, shall remain in the Adoria S. Frei
14 Trust. The Adoria S. Frei Trust shall make reasonable efforts
15 to refinance such properties so as to remove Dr. Frei's name
16 from any loans thereon, if any.

17 In the event there is a foreclosure on the El Camino
18 property located here in Las Vegas that results in a
19 deficiency judgment against Dr. Frei individually, said amount
20 shall be paid from Stephen Brock's interest in the joint life
21 insurance trust, which shall not be disclaimed by Stephen
22 Brock.

23 Paragraph 8, Dr. Frei shall be responsible for any
24 and all fees and costs incurred by Fred Wade as guardian ad
25 litem for Dr. Frei, including, but not limited to, fees

1 incurred by Hutchison & Steffen on his behalf.

2 Paragraph 9, the outstanding 2008 tax liability
3 relating to the 1040 filed on behalf of Dr. Frei and Adoria
4 Frei shall be equally split between Dr. Frei and the Adoria S.
5 Frei Trust, provided, however, that the Adoria S. Frei Trust
6 shall be entitled to make payments on such tax liability.

7 Paragraph 10, certain lawsuit relating to Deer Creek
8 real property shall be assigned by Dr. Frei to Stephen Brock
9 individually.

10 Paragraph Number 11, neither Dr. Frei; Elizabeth
11 Frei; Emil Frei, IV; Judith Frei; Lawrence Howe; Nancy Frei;
12 and/or Alice Frei shall directly or indirectly disparage
13 Stephen Brock, Public Company Management Corporation, Go
14 Public Today, or any of their affiliates or subsidiaries, and
15 shall not file or make any complaint or cause to be filed or
16 make any complaint by any third party with the Security
17 Exchange Commission or any other governmental agency, state or
18 federal, relating to Public Company Management Corporation, Go
19 Public Today, or any of their affiliates or subsidiaries. Dr.
20 Frei; Elizabeth Frei; Emil Frei, IV; Judith Frei; Lawrence
21 Howe; Nancy Frei; and/or Alice Frei additionally represent
22 that -- that any complaints or inquiries previously made by
23 either of them, either directly or indirectly, to any
24 governmental agency, state or federal, will be withdrawn, and
25 no further complaints or inquiries will be made. And to the

1 extent any costs are incurred by Stephen Brock, Public Company
2 Management Corporation, Go Public Today, or any of their
3 affiliates or subsidiaries as a result of any complaint or
4 inquiry made to any governmental agency, state or federal,
5 then such costs shall be deducted from the amount owed -- or
6 paid by Stephen Brock pursuant to this agreement.

7 MR. BLUT: And that's costs and things that are
8 incurred after this settlement has been entered, and does not
9 apply to costs that have previously been assessed.

10 THE COURT: Previously -- previously assessed costs,
11 then, are not included in that paragraph?

12 MS. DWIGGINS: Correct.

13 THE COURT: Okay.

14 MS. DWIGGINS: Stephen Brock, Public Company
15 Management Corporation, Go Public Today, or any of their
16 affiliates or subsidiaries agree not to use Dr. Frei's name in
17 any manner.

18 Paragraph 12, except as to the terms set forth
19 herein, Stephen Brock individually, as the prior attorney in
20 fact for Emil Frei, III, and Adoria S. Frei, as well as
21 trustee of the Adoria S. Frei Trust, and the Adoria S. Frei
22 Trust shall be granted a full release relating to any matter
23 concerning the Adoria S. Frei Trust; the Emil Frei, III,
24 Trust; Adoria S. Frei; or Emil Frei individually. Said
25 general release shall be granted by Dr. Frei; Elizabeth Frei;

1 Emil Frei, IV; Judith Frei; Lawrence Howe; Nancy Frei; and/or
2 Alice Frei; and any and all other heirs.

3 Paragraph 13, Emil Frei, III, shall waive any and
4 all interest in the Adoria S. Frei Trust, including any right
5 to receive an accounting of such trust, and shall no longer be
6 considered a beneficiary of the trust entitled to receive any
7 information.

8 Paragraph 14, the interest and collateral payments
9 on the joint life insurance policy on the life of Dr. Frei
10 with a death benefit of approximately \$8 million shall be paid
11 equally by Dr. Frei and/or any of his children on the one
12 hand, and any of Adoria S. Frei's children and/or the Adoria
13 S. Frei Trust on the other hand. It is represented that the
14 current interest and collateral payments are approximately
15 \$30,000 per year.

16 In the event premiums are due on such policy, the
17 parties shall cooperate with one another in making such
18 payments, and the trustee shall be authorized to make
19 reasonable efforts to obtain premium financing and/or other
20 financing in order to make such premium payments.

21 In the event any payments due under the policy are
22 made disproportionate by any beneficiary, then said
23 beneficiary shall be entitled to reimbursement of said amount
24 from the gross proceeds of the life insurance policy.

25 Dr. Frei and/or his children shall be responsible

1 for the premium and/or interest and collateral payments on the
2 single life insurance policy.

3 Paragraph 15, all proceedings currently pending
4 before the Probate Court relating to the Adoria S. Frei Trust,
5 Case Number P-065235, shall be dismissed with prejudice,
6 including the petition relating to any accounting.

7 Paragraph 16, any and all actions initiated by and
8 against Stephen Brock, Public Company Management Corporation,
9 the Adoria S. Frei Trust, Dr. Frei, and/or his children shall
10 be dismissed with prejudice, including any counterclaims
11 asserted therein, and all parties thereto shall be granted a
12 general release.

13 And I guess paragraph 17, Stephen Brock shall waive
14 any and all interest in Emil Frei, III, Trust.

15 Did I get them all?

16 MR. BLUT: I think paragraph 18 would be that
17 there'll be no use by Mr. Brock or Public Company Management
18 Company or NEDAB or any related affiliated companies of Dr.
19 Frei's name or likeness, that --

20 MS. DWIGGINS: I included that already, but --

21 MR. BLUT: The next paragraph in line, that --
22 similar to paragraph 12, that it's basically a mutual general
23 release of all claims, not just from the Frei side or the
24 Brock side, but also Mr. Brock and his company, and related
25 companies are also granting a general release to Dr. Frei;

1 Lawrence Howe; Emil Frei, IV; Mary Frei; Judy Frei; Alice
2 Frei; and Nancy Frei.

3 Also specifically as to Paragraph Number 1, there
4 has been a representation and warranty of the cash on hand in
5 the Adoria Frei Trust, including the representation was
6 approximately -- and I stress approximately -- 200,000 in the
7 Bank of America account such that there would be a requirement
8 of approximately 60,000 from the Pat Byrne account, and that's
9 a specific representation that's being made to induce Dr. Frei
10 to enter the agreement.

11 MS. DWIGGINS: I guess I just want to clarify. With
12 respect to the Bank of America investment accounts I believe
13 the last statement indicated there was a balance of
14 approximately \$190,000, and that would be less the value of
15 the PCMC stock as indicated on those statements.

16 MR. BLUT: That's --

17 THE COURT: The parties agree that whatever the last
18 bank statement is on that account is the operable --

19 MR. BLUT: In terms of the representations that are
20 being made, yes.

21 THE COURT: Okay.

22 MR. BLUT: That's all we're trying to make clear,
23 Your Honor.

24 THE COURT: All right. Is that agreeable?

25 MR. BLUT: Thank you. Also that Mr. Brock will

1 consent to a petition, and really all parties will consent to
2 petitions in the Probate Court to the extent necessary to
3 confirm the agreement and have court order specifically
4 relating to the joint life insurance trust and the waiver of
5 -- and the agreement to not disclaim his interest by Mr.
6 Brock.

7 I just want to make sure that's agreed.

8 MS. DWIGGINS: We agree that a petition will be
9 filed relative to Stephen Brock's inability to disclaim or
10 otherwise assign his interest in the trust.

11 MR. BLUT: Okay. And we will --

12 THE COURT: Is that agreeable?

13 MR. BLUT: Yes.

14 THE COURT: Okay.

15 MR. BLUT: There'll be representations in there also
16 as to what the security that that interest is being given and
17 what that is being given for. That way the trustees can be
18 aware of the security interest in that contingent interest in
19 the life insurance policy trust.

20 MS. DWIGGINS: I believe we could just provide the
21 trustees a copy of the settlement agreement --

22 MR. BLUT: Okay.

23 MS. DWIGGINS: -- that provides it, what's secured.
24 I don't believe it's necessary for that to be subject to a
25 petition of the court.

1 MR. BLUT: Well, I guess it would just be whether
2 there's an agreement that Mr. Brock would consent, obviously
3 after review by his counsel, to a petition that would comport
4 and comply with the terms that are on the record.

5 THE COURT: Am I hearing agreement by both sides on
6 that point, then?

7 MS. DWIGGINS: I guess I'm not sure I fully
8 understand. As with respect to the joint life insurance
9 trust, correct.

10 MR. BLUT: Yes. That was the point.

11 THE COURT: That is the point?

12 MR. BLUT: Yes.

13 THE COURT: So there's agreement as to that point.

14 MS. DWIGGINS: I guess I'm not sure if you needed an
15 order stating that he's not going to disclaim it, but as --
16 just as opposed to providing a copy of the settlement
17 agreement to the trustee. But if it's necessary to obtain an
18 order, then we agree.

19 THE COURT: Any other additions, Mr. Blut?

20 MR. BLUT: That the -- that there's been a -- and
21 maybe Ms. Dwiggin's can make the -- well, before getting to
22 that, also that there will be a -- within 60 days that will be
23 provided, and the trustee of the Adoria Frei Trust will
24 cooperate with the keys to the storage facilities both here
25 and in Maryland that contains Dr. Frei's personal property.

1 MS. DWIGGINS: We agree to provide them access to
2 it, the storage facilities.

3 THE COURT: Is that agreeable?

4 (Pause in the proceedings)

5 MS. DWIGGINS: We'll represent we have not removed
6 any items from the storage facilities.

7 THE COURT: Okay.

8 MS. FREI: Either in Maryland or here?

9 MS. DWIGGINS: Either Maryland or Las Vegas.

10 MS. FREI: And the storage facility would contain
11 the items from his home.

12 THE COURT: Well, they -- the most they can
13 represent is they haven't removed anything.

14 MS. FREI: But can I speak. Would it make sense for
15 my father to list the specific items that he definitely wants
16 returned that could have been removed from his home and taken
17 to one of their homes?

18 MS. DWIGGINS: We will represent that the items from
19 the home were packed by a professional moving company and
20 placed in storage, and nothing was removed by my client.

21 THE COURT: Okay. So that's the representation.
22 The only question is whether there is agreement, then. With
23 that representation, is that satisfactory, then?

24 MR. BLUT: Can we -- can we get -- there's
25 apparently an inventory list.

1 MS. DWIGGINS: We will provide a copy of the
2 inventory list.

3 THE COURT: There you go.

4 MR. BLUT: Okay.

5 THE COURT: So a copy of the inventory list will be
6 provided, and the representation is made that nothing has been
7 removed from storage and that professional movers were used to
8 remove everything from the home and take it to the storage.
9 Is that agreeable, then, that that satisfies that --

10 MS. FREI: What would be the down side of listing
11 the few specific items that he definitely wanted returned to
12 him?

13 THE COURT: Well, there's no down side to it, except
14 we are here now with a jury sitting out in the hall. So --

15 MS. FREI: Well, I can tell you right now there's an
16 urn and a mosaic table that he absolutely wants returned.

17 THE COURT: Okay. Do we know anything about an urn
18 and a mosaic table?

19 MR. BROCK: That's in Maryland, to the best of my
20 knowledge, and my understanding is it's still there.

21 THE COURT: Have you seen it there?

22 MR. BROCK: I have not been to Maryland to see it.

23 THE COURT: Okay. Is that something that would have
24 been included in the items taken by the professional movers
25 from the home to the storage?

1 MR. BROCK: That was a separate move in Maryland
2 from a condominium.

3 THE COURT: Okay.

4 MR. BROCK: The professional movers were here at El
5 Camino, so I can't attest to -- my brothers moved everything
6 out for that rental unit to be rented.

7 THE COURT: Okay. So does that sound right, that it
8 would have gone from the condominium to storage back there?

9 MS. FREI: It would have, assuming that's where it
10 went.

11 THE COURT: Okay. Well, then the -- how do you want
12 to handle it? The representation could be that it's there if
13 you -- if you know that everything went there.

14 MS. DWIGGINS: We don't know. We did not handle
15 that move.

16 MR. BROCK: It's been represented. I can call my
17 brother right now if you're going to represent it, if you'd
18 like.

19 THE COURT: Well, can we -- would it make sense to
20 do this? I mean, this is going to have to be boiled down to a
21 writing. By the time you put it in writing you can confirm
22 that it's there and put that -- put an affirmative
23 representation, then, in there that those two items, the urn
24 and the -- what was the other thing?

25 MS. FREI: Well, the specific ones he wants back are

1 the urn and the mosaic table.

2 THE COURT: Urn and the mosaic table. And then the
3 general representation that the rest of the items were taken
4 there, as well; right? So is that agreeable, then, to make
5 that subject to confirmation so that you can make the specific
6 representation as to those two items?

7 MS. DWIGGINS: We could contact Peter --

8 Is it Peter Brock?

9 MR. BROCK: Peter.

10 MS. DWIGGINS: -- Peter Brock to see if those items
11 were placed in storage, yes.

12 THE COURT: Okay. So we have an agreement in
13 principle. It will be confirmed with an affirmative
14 representation in writing that these two items are there, and
15 it's already been represented that all the items in fact were
16 taken from the condominium and put into the storage there.

17 MS. FREI: Just one other thing. My dad would
18 really like to go see his stuff tomorrow. Is that possible?

19 MS. DWIGGINS: I would have to talk to my client and
20 see if -- I mean, if he could contact the storage company --

21 MR. BROCK: I haven't talked to the storage company
22 in six months. I just have to contact them and --

23 THE COURT: Okay. And --

24 MS. FREI: I know it's a little --

25 MS. DWIGGINS: We'll make reasonable efforts --

1 THE COURT: Who's in charge?
2 MS. DWIGGINS: -- to make sure.
3 MR. BROCK: I have the information --
4 THE COURT: Okay. So all reasonable efforts will be
5 made to give any permission necessary from the defense so that
6 that visit could be made. Is that satisfactory?
7 DR. FREI: Yeah, that's -- that's all right.
8 THE COURT: Okay.
9 MR. BLUT: And Ms. Dwiggins had made -- and hope --
10 I think there's a representation that of the Pacific Life and
11 Jackson National Life annuity accounts that were liquidated in
12 2009, there's a representation made that taxes were withheld.
13 MS. DWIGGINS: There's a representation that --
14 we'll make the representation that we requested taxes to be
15 withheld.
16 THE COURT: There will be a -- the representation is
17 that there will be a request to withhold taxes? Is that the
18 way you put it?
19 MS. DWIGGINS: Correct. At the time of liquidation.
20 THE COURT: Okay.
21 MR. BLUT: Well, that would have been in the past,
22 Your Honor, that there was a request that the annuity
23 companies withhold taxes.
24 MS. FREI: But the concern is that Dad doesn't want
25 to get saddled with taxes on that.

1 MS. DWIGGINS: We would have to review the
2 documents. The best of our knowledge, the requests -- well, I
3 can represent that there was a request made to withhold taxes,
4 and to the best of our knowledge taxes in fact were withheld.

5 THE COURT: Okay. All right.

6 MS. FREI: And if they were not?

7 THE COURT: Well, here's our problem, ma'am. We're
8 -- the question that I have is do I go forward with the trial,
9 or do I stop. I stop if I have a deal that's sufficient, even
10 though it hasn't been boiled down in writing, that there is as
11 much understanding and agreement on all the fine details as we
12 can put on it at this point. If there is something that
13 you're telling me it's a deal breaker if there's not some --
14 some particular and if they're not in a position to make the
15 affirmation that it's done in a certain way or, in this case,
16 that the taxes have been withheld --

17 Are you able -- what's the representation in
18 relation to that?

19 MS. DWIGGINS: The problem is Mr. Blut just informed
20 me of this issue as we were walking into court this afternoon,
21 so I unfortunately don't have the documents accessible to me.
22 I have been able to confirm through the requests for
23 liquidation, which were the only documents I was able to
24 access, that there was in fact a request made for taxes to be
25 withheld.

1 THE COURT: Okay.

2 MS. DWIGGINS: And to the best of our knowledge,
3 they in fact were withheld. However, I have not been able to
4 confirm that one way or another, and therefore cannot
5 represent it.

6 THE COURT: The request would have been made to
7 whom?

8 MS. DWIGGINS: Directly to Jackson National Life.

9 THE COURT: Okay.

10 MS. FREI: Well, let me ask -- go ahead, Dad.

11 DR. FREI: There are many things in there that are
12 -- such as books, paintings, et cetera, that --

13 THE COURT: In the storage?

14 DR. FREI: -- are in the storage unit, in those
15 three facilities.

16 MR. BLUT: Well, she's going to get you into the one
17 tomorrow.

18 MS. FREI: She's going to do her best to let us go
19 look at your stuff tomorrow, Dad. Not the stuff in Maryland,
20 but the stuff here.

21 THE COURT: So the question is is it agreeable and
22 is there agreement that -- and that will be confirmed, that
23 the request was made to the Jackson National Bank [sic] to
24 withhold taxes?

25 MS. DWIGGINS: Jackson National Life, correct.

1 MR. URGAL: Life insurance.

2 THE COURT: Jackson National Life Insurance to
3 withhold taxes. That's an affirmative representation that's
4 being made as part of this.

5 MS. FREI: And this is all new to me, and if the
6 taxes aren't withheld, he then really is left with virtually
7 no cash to live on. So my question to you is what happens if
8 the taxes weren't withheld? We're only talking about his
9 getting about \$280,000 in cash.

10 THE COURT: Well, it sounds like we don't really
11 have a deal, then. If I'm understanding, what you're saying
12 is you have real questions and you're not -- you're not able
13 to put a settlement on the record at this point. Is that what
14 you're telling me?

15 MS. FREI: I --

16 THE COURT: All right. Bring the jury in. We're
17 going to trial.

18 MR. URGAL: Unbelievable.

19 MS. FREI: Am I wrong? I mean --

20 MR. BLUT: They made the representation.

21 MS. FREI: I don't know what that means.

22 MR. BLUT: Well, they're saying that they asked for
23 it.

24 MS. FREI: Well, what if it didn't happen, Elliot?
25 Then Dad has nothing.

1 MR. BLUT: Well, I know. But then we really don't
2 -- don't have any settlement.

3 MS. FREI: Well, just -- I don't know what to tell
4 you.

5 (Court recessed at 2:46 p.m., until 2:53 p.m.)

6 (Jury is present)

7 (Continued testimony of Stephen Brock - not transcribed)

8 (Court recessed at 4:02 p.m., until 4:17 p.m.)

9 (Jury is not present)

10 THE COURT: All right. I understand the parties
11 think they have it settled. But, folks, we have -- we have
12 stopped this trial in the middle twice now for hours on end on
13 a trial that we had a set time frame which we gave to this
14 jury, and they've been sitting out there cooling their heels,
15 and the clock is running, and we may or may not get done in
16 time. I am not willing to hold off any longer. We're going
17 to try this case or you're going to settle it, but we're not
18 going to kind of do some of one and some of the other.

19 Now, if you're ready to settle the case and you can
20 put it on the record quickly, let's do it. Otherwise, we'll
21 bring the jury in, we'll try through the end of the day, and
22 then we'll see whether we can put it on the record.

23 MR. URGAS: Your Honor, the one issue that was
24 outstanding is whether the taxes were withheld on the
25 liquidation of the Jackson Life and the Pacific Life insurance

1 for 2009, and we have confirmed that the taxes were withheld.

2 THE COURT: All right. Is that agreeable?

3 MR. BLUT: It's agreeable with that representation,
4 Your Honor. That was the last piece.

5 THE COURT: All right. And is that the end of the
6 -- of putting it -- spreading the settlement on the record?

7 MR. BLUT: Yes. As long -- I'm sure we can piece
8 together, Your Honor, what we've put on before and now. That
9 was the last piece.

10 THE COURT: All right. Now, what the parties need
11 to understand, though, is that if we're going to stop this
12 trial -- I take it what you're saying is this case is settled
13 and you want to stop the trial.

14 MR. URGAS: This case is settled, Your Honor.

15 THE COURT: If we're going to stop this trial, it
16 needs to be that everyone understands that even though we are
17 going to wait and you're going to boil it down into writing
18 signed by the parties, which is the proper way to do it.
19 There has been spread on this record understanding as to what
20 the settlement is. My position has always been that when that
21 happens that becomes a binding settlement agreement now. I
22 understand that there may be problems crop up because you
23 can't give it all the fine touches and there are things that
24 will have to be said. But my position is that this is a
25 binding settlement agreement as of now and that if a party

1 desires to seek enforcement of that settlement agreement,
2 they're free to do so just based on the record that's here
3 today.

4 Now, it will be a binding settlement agreement if
5 the individuals involved indicate on the record that that is
6 their understanding and that they wish to settle the case on
7 those terms.

8 I will ask you, Mr. Brock, is that your
9 understanding and do you wish to settle the case on those
10 terms?

11 MR. BROCK: Yes, it is, Your Honor. And I do.

12 THE COURT: All right. Mr. Frei, is that your
13 understanding of the settlement terms and is it your desire to
14 settle this case on those terms that have been spread upon the
15 record?

16 DR. FREI: Yes.

17 THE COURT: All right. And the attorneys know this,
18 but the rest of the folks don't. We not only have somebody
19 back here making notes, but our record is -- there are video
20 cameras all around here, and that constitutes the record of
21 not only the trial, but now of the settlement agreement. It
22 appears to me that there has been a settlement here, and,
23 accordingly, we will end this trial.

24 I congratulate the parties. I hope that my firming
25 up here is not misconstrued. We have an important matter of a

1 jury trial here with jurors sitting around. And we're free to
2 settle it at any point that you want to, but we're not going
3 to spend multiple times talking about it and not doing it and
4 then think that we're going to finish a trial on time.

5 MR. URGAL: Your Honor, I think we still would have
6 finished the trial on time; but thank goodness we were able to
7 get it settled.

8 THE COURT: I put that in the same category as
9 attorneys that tell me that they'll be brief. I've seen it
10 breached more often than I've seen it adhered to.

11 MR. URGAL: That's my best understanding today.
12 How's that?

13 THE COURT: Are the parties agreeable, then, for me
14 to bring the jury in --

15 MR. URGAL: Absolutely.

16 THE COURT: -- and announce to them that the
17 matter's been settled?

18 MR. URGAL: Absolutely.

19 MR. BLUT: Yes, Your Honor.

20 THE COURT: All right. Let's bring the jury.

21 (Jury reconvened at 4:22 p.m.)

22 (Jury thanked and discharged and
23 proceedings concluded at 4:26 p.m.)

24

25

* * * * *

CERTIFICATION

I CERTIFY THAT THE FOREGOING IS A CORRECT TRANSCRIPT FROM THE AUDIO-VISUAL RECORDING OF THE PROCEEDINGS IN THE ABOVE-ENTITLED MATTER.

AFFIRMATION

I AFFIRM THAT THIS TRANSCRIPT DOES NOT CONTAIN THE SOCIAL SECURITY OR TAX IDENTIFICATION NUMBER OF ANY PERSON OR ENTITY.

FLORENCE HOYT
Las Vegas, Nevada 89146

Florence M. Hoyt

FLORENCE HOYT, TRANSCRIBER

4/3/10

DATE

EXHIBIT “4”

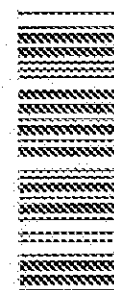
For the Account of:
EMIL FREI, III AND ADORIA FREI JOINT IRREVOCABLE
TRUST

Account Number: 28 00 1266 2 01

Date: From JANUARY 1, 2014 through DECEMBER 31, 2014



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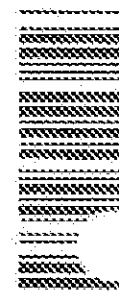
Statement of Transactions

Date		Income Cash	Principal Cash	Investment Cost Basis
TRANSFER FROM INVESTMENT ACCOUNT				
05/29/2014	FUNDS RECEIVED FROM TRANSAMERICA ACCOUNT FOR FINAL TRANSAMERICA ACCT 60112502 DISTRIBUTION TO BENEFICIARIES		4,633,078.12	
	TOTAL TRANSFER FROM INVESTMENT ACCOUNT	0.00	4,633,078.12	0.00
DEATH BENEFIT PROCEEDS				
01/08/2014	PARTIAL DISTRIBUTION FROM TRANSAMERICA INSURANCE POLICY #60112502		1,000,000.00	
	TOTAL DEATH BENEFIT PROCEEDS	0.00	1,000,000.00	0.00
EXEMPT INTEREST DIVIDENDS				
01/01/2014	DIVIDEND RECEIVED FIDELITY TAX EXEMPT FUND P	.04		
02/01/2014	DIVIDEND RECEIVED FIDELITY TAX EXEMPT FUND P	1.14		
03/01/2014	DIVIDEND RECEIVED FIDELITY TAX EXEMPT FUND P	.04		
04/01/2014	DIVIDEND RECEIVED FIDELITY TAX EXEMPT FUND P	.04		
05/01/2014	DIVIDEND RECEIVED FIDELITY TAX EXEMPT FUND P	.04		
06/01/2014	DIVIDEND RECEIVED FIDELITY TAX EXEMPT FUND P	2.58		
07/01/2014	DIVIDEND RECEIVED FIDELITY TAX EXEMPT FUND P	16.73		
08/01/2014	DIVIDEND RECEIVED FIDELITY TAX EXEMPT FUND P	6.66		
09/01/2014	DIVIDEND RECEIVED FIDELITY TAX EXEMPT FUND P	4.14		
10/01/2014	DIVIDEND RECEIVED FIDELITY TAX EXEMPT FUND P	4.00		
11/01/2014	DIVIDEND RECEIVED FIDELITY TAX EXEMPT FUND P	4.14		

Account Number: 28 00 1268 2 01
Date: From JANUARY 1, 2014 through DECEMBER 31, 2014



4465 South Jones Blvd.
Las Vegas, NV 89103
(702) 507-0750



Date		Income Cash	Principal Cash	Investment Cost Basis
12/01/2014	DIVIDEND RECEIVED FIDELITY TAX EXEMPT FUND P	4.00		
	TOTAL EXEMPT INTEREST DIVIDENDS	43.55	0.00	0.00
	CAPITAL GAIN DISTRIBUTIONS			
11/28/2014	LONG TERM GAIN DIV ON 486857.02 SHARES @ 0.000062 FIDELITY TAX EXEMPT FUND P		30.11	
	TOTAL CAPITAL GAIN DISTRIBUTIONS	0.00	30.11	0.00
	ADJUSTMENTS			
01/02/2014	AUTO TRANSFER INCOME TO PRINCIPAL CASH	-.04	.04	
02/03/2014	AUTO TRANSFER INCOME TO PRINCIPAL CASH	-1.14	1.14	
03/03/2014	AUTO TRANSFER INCOME TO PRINCIPAL CASH	-.04	.04	
04/01/2014	AUTO TRANSFER INCOME TO PRINCIPAL CASH	-.04	.04	
05/02/2014	AUTO TRANSFER INCOME TO PRINCIPAL CASH	-.04	.04	
06/03/2014	AUTO TRANSFER INCOME TO PRINCIPAL CASH	-2.58	2.58	
07/01/2014	AUTO TRANSFER INCOME TO PRINCIPAL CASH	-16.73	16.73	
08/04/2014	AUTO TRANSFER INCOME TO PRINCIPAL CASH	-6.66	6.66	
09/02/2014	AUTO TRANSFER INCOME TO PRINCIPAL CASH	-4.14	4.14	
10/02/2014	AUTO TRANSFER INCOME TO PRINCIPAL CASH	-4.00	4.00	
11/04/2014	AUTO TRANSFER INCOME TO PRINCIPAL CASH	-4.14	4.14	
12/01/2014	AUTO TRANSFER INCOME TO PRINCIPAL CASH	-4.00	4.00	
	TOTAL ADJUSTMENTS	-43.55	43.55	0.00
	DISBURSEMENTS TO OR FOR BENEFICIARIES			
01/10/2014	VINCENT BROCK PARTIAL DISTRIBUTION		-100,000.00	
01/10/2014	PETER BROCK PARTIAL DISTRIBUTION		-100,000.00	

For the Account of:
EMIL FREI, III AND ADORIA FREI JOINT IRREVOCABLE
TRUST



4465 South Jones Blvd.
Las Vegas, NV 89103
(702) 507-0750

Account Number: 28 00 1269 2 01
Date: From JANUARY 1, 2014 through DECEMBER 31, 2014

Statement of Transactions

Date		Income Cash	Principal Cash	Investment Cost Basis
01/10/2014	NANCY FREI PARTIAL DISTRIBUTION		-100,000.00	
01/10/2014	JOHN BROCK PARTIAL DISTRIBUTIONS		-100,000.00	
01/10/2014	ELIZABETH FREI PARTIAL DISTRIBUTION		-100,000.00	
01/10/2014	EMIL FREI IV PARTIAL DISTRIBUTION CHECK NUMBER 73232		-100,000.00	
01/10/2014	FRANCIS C BROCK PARTIAL DISTRIBUTION		-100,000.00	
01/10/2014	ALICE FREI PARTIAL DISTRIBUTION		-100,000.00	
01/10/2014	ELIZABETH FREI & LAWRENCE HOWE TTEE U/A 9/14/99 BY EMIL FREI III PARTIAL DISTRIBUTION FUNDS TOWARDS STEPHEN BROCK'S REPAYMENT OF LOANS PER COURT ORDER		-100,000.00	
01/10/2014	JUDY FREI PARTIAL DISTRIBUTION CHECK NUMBER 73233		-100,000.00	
06/02/2014	FRANCIS C BROCK FINAL DISTRIBUTION (1) TO BENEFICIARY INCLUDES \$6,972.97 REIMBURSEMENT OF PREMIUM FINANCING LESS \$20 FOR WIRE FEE		-216,304.55	
06/02/2014	FRANCIS C BROCK FINAL DISTRIBUTION (2) TO BENEFICIARY LESS \$20 WIRE FEE		-244,980.00	
06/02/2014	PETER BROCK FINAL DISTRIBUTION TO BENEFICIARY LESS \$20 WIRE FEE INCLUDES PREM FINANCING REIMBURSEMENT OF \$6,972.95		-461,304.55	
06/02/2014	JOHN BROCK FINAL DISTRIBUTION TO BENEFICIARY LESS \$20 FOR WIRE FEE INCLUDES PREM FINANCING REIMBURSEMENT OF \$ 6,972.97		-461,304.55	
06/03/2014	JUDY FREI FINAL DISTRIBUTION TO BENEFICIARY INCLUDES \$6,717.97 REIMBURSEMENT FOR PREMIUM FINANCING CHECK NUMBER 77394		-461,069.55	

For the Account of:
EMIL FREI, III AND ADORIA FREI JOINT IRREVOCABLE
TRUST



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Account Number: 28 00 1268 2 01

Date: From JANUARY 1, 2014 through DECEMBER 31, 2014

Statement of Transactions

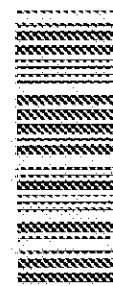
Date		Income Cash	Principal Cash	Investment Cost Basis
05/04/2014	VINCENT BROCK FINAL DISTRIBUTION TO BENEFICIARY INCLUDES REIMBURSEMENT OF PREM FINANCING \$6,972.97 LESS \$20 FOR WIRE FEE		-461,304.55	
06/11/2014	NANCY FREI FINAL DISTRIBUTION TO BENEFICIARY INCLUDES \$6867.97 REIMBURSEMENT OF PREMIUM FINANCING LESS \$20 FOR WIRE FEE		-461,199.55	
06/18/2014	EMIL FREI IV FINAL DISTRIBUTION TO BENEFICIARY INCLUDES \$6,717.98 REIMBURSEMENT OF PREMIUM FINANCING CHECK NUMBER 77839		-461,069.56	
06/27/2014	ALICE FREI FINAL DISTRIBUTION TO BENEFICIARY INCLUDES \$6,717.98 REIMBURSEMENT FOR PREMIUM FINANCING		-461,069.56	
07/08/2014	ELIZABETH FREI FINAL DISTRIBUTION TO BENEFICIARY CHECK NUMBER 78660		-461,069.55	
	TOTAL DISBURSEMENTS TO OR FOR BENEFICIARIES	0.00	-5,150,675.96	0.00
	ACCOUNTING FEES			
04/24/2014	SWECKER & MOIR, LLC 2013 1041 TAX PREPARATION CHECK NUMBER 76349		-375.00	
	TOTAL ACCOUNTING FEES	0.00	-375.00	0.00
	SERVICE FEES			
06/02/2014	OUTGOING WIRE CHARGE		-20.00	
06/02/2014	OUTGOING WIRE CHARGE		-20.00	
06/02/2014	OUTGOING WIRE CHARGE		-20.00	
06/02/2014	OUTGOING WIRE CHARGE		-20.00	
06/04/2014	OUTGOING WIRE CHARGE		-20.00	
06/11/2014	OUTGOING WIRE CHARGE		-20.00	
	TOTAL SERVICE FEES	0.00	-120.00	0.00

For the Account of:
EMIL FREI, III AND ADORIA FREI JOINT IRREVOCABLE
TRUST



Premier Trust, INC.

4465 South Jones Blvd.
Las Vegas, NV 89103
(702) 507-0750



Account Number: 28 00 1266 2 01

Date: From JANUARY 1, 2014 through DECEMBER 31, 2014

Statement of Transactions

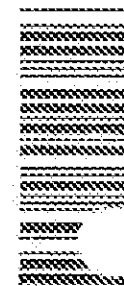
Date		Income Cash	Principal Cash	Investment Cost Basis
PURCHASES OF ASSETS				
12/30/2014	PURCHASE 480,000 SHARES PLAZA BANK .30%		-480,000.00	480,000.00
12/31/2014	NET OF DEPOSITS & WITHDRAWALS FIDELITY TAX EXEMPT FUND P		-1,980.80	1,980.80
	TOTAL PURCHASES OF ASSETS	0.00	-481,980.80	481,980.80
NON CASH ENTRIES				
SECURITIES DISTRIBUTED FROM THE ACCOUNT				
06/11/2014	FUNDS TRANSFERRED TO PREMIER TRUST ON 5/29/14 TRANSAMERICA ACCT 60112502 FOR DISTRIBUTIONS TO BENEFICIARIES			-1.00
	TOTAL SECURITIES DISTRIBUTED FROM THE ACCOUNT	0.00	0.00	-1.00

For the Account of:
EMIL FREI, III AND ADORIA FREI JOINT IRREVOCABLE
TRUST

Account Number: 29 00 1268 2 01
Date: From JANUARY 1, 2014 through DECEMBER 31, 2014



4465 South Jones Blvd.
Las Vegas, NV 89103
(702) 507-0750



Capital Gain Statement

Security Name	Shares	Date of Purchase/Cost	Date of Sales/Proceeds	Gain/Loss Amount	Term
FIDELITY TAX EXEMPT FUND P		(CAPITAL GAIN DISTRIBUTION)		30.11	LONG
TOTAL		0.00	0.00	30.11	
SUMMARY		DISTRIBUTIONS	REALIZED	TOTAL	
SHORT TERM CAPITAL GAIN/LOSS		0.00	0.00	0.00	
LONG TERM CAPITAL GAIN/LOSS		30.11	0.00	30.11	
		30.11	0.00	30.11	

For the Account of:
EMIL FREI, III AND ADORIA FREI JOINT IRREVOCABLE TRUST

Account Number: 28 00 1268 2 01
 Date: *DECEMBER 31, 2014*



4465 South Jones Blvd.
 Las Vegas, NV 89103
 (702) 507-0750



Review of Assets

Shares or Par Value		Unit Market	Investment Cost Basis	Total Market Value	Est. Annual Income	Current Yield
CASH						
	INCOME CASH		0.00	0.00		
	PRINCIPAL CASH		0.00	0.00		
	TOTAL CASH		0.00	0.00		
CASH EQUIVALENTS						
MISC CASH EQUIV-TAX EXEMPT						
6,891.13	FIDELITY TAX EXEMPT FUND P	1.000	6,891.13	6,891.13	1	0.01
GROUP SAVINGS ACCOUNTS						
480,000	PLAZA BANK 30%		480,000.00	480,000.00	1,440	0.30
	TOTAL CASH EQUIVALENTS		486,891.13	486,891.13	1,441	0.30
	GRAND TOTAL		486,891.13	486,891.13	1,441	0.30

For the Account of:

EMIL FREI, III AND ADORIA FREI JOINT IRREVOCABLE
TRUST



Premier Trust, INC.

4465 South Jones Blvd.
Las Vegas, NV 89103
(702) 507-0750

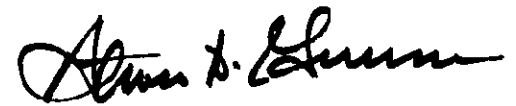


Account Number: 28 00 1268 2 01
Date: DECEMBER 31, 2014

STEPHEN BROCK
5770 EL CAMINO RD.
LAS VEGAS NV 89118

WE THANK YOU FOR YOUR BUSINESS AND WISH
YOU A VERY HAPPY NEW YEAR.

00780



CLERK OF THE COURT

SUPP

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DISTRICT COURT

CLARK COUNTY, NEVADA

In the Matter of

FREI IRREVOCABLE TRUST dated
October 29, 1996

) Case No.: P-09-065257-T

) Dept. No.: 26

) Date of Hearing: March 11, 2015

) Time of Hearing: 10:00 a.m.

**PREMIER TRUST'S SUPPLEMENT TO OPPOSITION TO PETITION TO CONSTRUE
TERMS OF TRUST, TO COMPEL COMPLIANCE WITH TERMS OF TRUST, TO
CONFIRM REMOVAL OF TRUSTEE, TO COMPEL REDRESS OF BREACH OF
FIDUCIARY DUTIES, AND TO RELEASE JURISDICTION OF THE TRUST**

COMES NOW, DOUGLAS D. GERRARD, ESQ. and RICHARD D. CHATWIN, ESQ. of
the law firm GERRARD COX LARSEN, attorneys for PREMIER TRUST, INC., and hereby files
its Supplement to Opposition to Petition to Construe Terms of Trust, To Compel Compliance with
Terms of Trust, to Confirm Removal of Trustee, to Compel Redress of Breach of Fiduciary Duties,
and to Release Jurisdiction of the Trust ("*Supplement*").

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This Supplement is based upon the following Memorandum of Points and Authorities, the pleadings and papers on file, and any argument of counsel at a hearing on this matter.

DATED this 9 day of FEBRUARY, 2015.

GERRARD COX LARSEN

DOUGLAS D. GERRARD, ESQ.
Nevada Bar No. 4613
RICHARD D. CHATWIN, ESQ.
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MEMORANDUM OF POINTS AND AUTHORITIES

I. BRIEF FACTUAL HISTORY

The Frei Irrevocable Trust was established on October 29, 1996 by Adora B. Frei and Dr. Emil Frei, III (hereinafter the "*Trust*"). Adoria B. Frei died on January 28, 2009. On June 12, 2009 an Order approving a May 20, 2009 Report and Recommendation amending the dispositive terms of the Trust for all ten Trust beneficiaries was entered by Commissioner Wesley Yamashita (the "*June 2009 Order*").¹

On September 14, 2009 Premier Trust became a co-trustee of the Trust with Peter Brock.

On March 31, 2010 Stephen Brock and Dr. Emil Frei, III entered into an oral binding settlement agreement in the middle of trial in Clark County, Nevada District Court case no. A-09-588750-C (Judge Kenneth C. Cory) in which Stephen agreed to pay hundreds of thousands of

¹ After the entry of the June 2009 Order Article VII of the Trust was modified to state that:

Upon an election in writing by any child of ours delivered to our Trustee, the trust share set aside for such child shall forthwith terminate and our Trustee shall distribute all undistributed net income and principal to such child outright and free of the trust.

¹ See the June 2009 Order at p. 4, lines 18-20.

1 dollars to the Emil Frei Trust and hold his beneficial interest in the Trust as collateral for these
2 payments (the "*March 2010 Settlement*").

3 On June 18, 2010 Commissioner Wesley Yamashita entered an Order Approving Settlement
4 Agreement, which mirrored the March 2010 Settlement and was prepared by Stephen Brock's
5 ("*Stephen*") attorney at the time, Dana Dwiggins, Esq. (the "*June 2010 Order*"). Dr. Frei died on
6 April 30, 2013.
7

8 The history of the Trust and this case is provided in much more detail in Premier Trust,
9 Inc.'s ("*Premier Trust*") Opposition to Petition to Construe Terms of Trust, To Compel Compliance
10 With Terms of Trust, To Confirm Removal of Trustee, to Compel Redress of Breach of Fiduciary
11 Duties, and to Release Jurisdiction of the Trust filed with this Court on December 29, 2014 (see
12 especially from p. 2, line 16 to p. 6, line 6).
13

14 Following oral argument on January 26, 2015, this Court asked for the parties in this matter
15 to brief the following issues:

- 16 1. Can a settlor and beneficiary of an irrevocable trust agree to amend the terms of the
17 irrevocable trust? If Dr. Frei wanted to change the terms of the Frei Irrevocable Trust
dated October 29, 1996, why couldn't he?
- 18 2. What effect did the June 2009 Order reforming Article VII of the Trust (addressing
19 the disposition of assets to Stephen and the other Trust beneficiaries) have on Article
20 XIII of the Trust (where the spendthrift clause is written)?
- 21 3. What notices did Stephen and the other beneficiaries of the Trust receive from
22 Premier Trust about the \$300,000 in payments that were made from Stephen's
beneficial interest in the Trust pursuant to the March 2010 Settlement and June 2010
23 Order?
- 24 4. Does Stephen have the right to remove Premier Trust as a Trustee of the Trust?

25 Accordingly, Premier Trust files this Supplement to address each of these issues.

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1 **II. A SETTLOR AND BENEFICIARY CAN AGREE TO MODIFY AN IRREVOCABLE**
2 **TRUST, INCLUDING ONE WITH A SPENDTHRIFT CLAUSE**

3 **A. This Court Should Look to California Law, Which Allows a Settlor and**
4 **Beneficiary to Modify a Trust**

5 **1. You Can Modify an Irrevocable Trust in California When the Settlor**
6 **and Beneficiary of the Trust Agree to the Amendment**

7 At present, Nevada statutory and common law are silent on when an
8 irrevocable trust may be modified. However, Nevada courts regularly permit modifications to
9 irrevocable trusts, as was done in this case through the June 2009 Order. Nevada courts generally
10 look to California law when there is no Nevada law on point. Mort v. U.S., 86 F.3d 890, 893(9th
11 Cir. 1996) (“Where Nevada law is lacking, its courts have looked to the law of other jurisdictions,
12 particularly California, for guidance”) (citing People for the Ethical Treatment of Animals v. Bobby
13 Berosini, Ltd., 111 Nev. 615, 895 P.2d 1269, 1281-82 (1995); Dutt v. Kremp, 111 Nev. 567, 894
14 P.2d 354, 358 (1995) (overruled on other grounds by LaMantia v. Redisi, 38 P.3d 877, 880 (Nev.
15 2002)). See also Las Vegas Downtown Redev. v. Crockett, 117 Nev. 816, 34 P.3d 553, 559 (Nev.
16 2001); Landow v. Medical Ins. Exchange of California, 892 F.Supp. 239, 240 (D. Nev. 1995);
17 Commercial Standard Ins. Co. v. Tab Const., Inc., 583 P.2d 449, 531 (Nev. 1978).

18
19 California’s Probate Code expressly allows an irrevocable trust to be modified.
20 California Probate Code § 15404(a)-(b) states in full as follows:

21 (a) If the settlor and all beneficiaries of a trust consent, they may compel the
22 modification or termination of the trust.

23 (b) If any beneficiary does not consent to the modification or termination of the
24 trust, upon petition to the court, the other beneficiaries, with the consent of the
25 settlor, may compel a modification or partial termination of the trust if the interests of
the beneficiaries who do not consent are not substantially impaired.

26 As shown below, the March 2010 Settlement and June 2010 Order were modifications to the
27 Trust between Stephen and Dr. Frei which meet all of the requirements of California Probate Code §
28 15404.

1 2. **California Probate Code Section 15404 Would Apply to the March 2010**
2 **Settlement and June 2010 Order**

3 Dr. Frei, as settlor, and Stephen, as a beneficiary, petitioned two courts asking
4 for each to accept their agreement whereby Stephen's beneficial interest in the Trust would be used
5 as security for the repayment of hundreds of thousands of dollars back to Dr. Frei. Although the
6 other beneficiaries of the Trust never explicitly consented to this modification, subsection (b) of
7 California Probate Code makes it clear that their consent is not necessary. Stephen only agreed to
8 pledge his beneficial interest in the Trust, which means that the "interests of the beneficiaries who
9 [did] not consent [were] not substantially impaired." Cal. Prob. Code § 15404(b).

10 During the March 31, 2010 hearing before District Court Judge Kenneth C. Cory, Stephen's
11 attorney explained the terms of the settlement in great detail. A copy of the full transcript hearing in
12 case A-09-588750-C is attached herewith as **Exhibit "A"**. The terms of the settlement included
13 Stephen paying hundreds of thousands of dollars back to Dr. Frei and those payments being
14 "secured by Stephen Brock's interest in the joint life insurance policy [owned by the Trust], which
15 shall not be disclaimed by Stephen Brock." See Exhibit "A" at p. 4, lines 2-5.

16 After the details of the settlement were fully outlined by Stephen's attorney, Judge Cory,
17 Stephen, and Dr. Frei made the following statements and representations:
18

19 THE COURT: ...Now, it will be a binding settlement
20 agreement if the individuals involved indicate on the record that that is
21 their understanding and that they wish to settle the case on those terms.

22 I will ask you, Mr. Brock, is that your understanding and do you
23 wish to settle the case on those terms?

24 MR. BROCK: Yes, it is, Your Honor. And I do.

25 THE COURT: All right. Mr. Frei, is that your
26 understanding of the settlement terms and is it your desire to settle this
27 case on those terms that have been spread upon the record?

28 DR. FREI: Yes.

1 THE COURT: All right...It appears to me that there has
2 been a settlement here, and, accordingly, we will end this trial.

3 See Exhibit "A" at p. 23, lines 4-23.

4 In seeking for the June 2010 Order, Stephen's attorney, Dana Dwiggin, Esq., filed a Petition
5 to Approve Settlement Agreement before Commissioner Yamashita on April 16, 2010. A copy of
6 the April 16, 2010 Petition is attached herewith as **Exhibit "B"**. In that Petition, Stephen's
7 attorney specifically noted the March 31, 2010 settlement before Judge Cory, calling it a "global
8 settlement agreement" where the "substantive terms of the settlement agreement were placed on the
9 record in open court before the Honorable Kenneth C. Cory and become the subject of a minute
10 order." See Exhibit "B" at p. 1, lines 22-27.

12 Neither Dr. Frei, nor his attorney, would have accepted Stephen's agreement to repay
13 hundreds of thousands of dollars back to Dr. Frei unless the repayment was properly secured.
14 Through both the March 2010 Settlement and in the June 2010 Order, Dr. Frei and Stephen both
15 manifested a clear intent to modify the Trust and its spendthrift provisions. Obviously both Dr. Frei
16 and Stephen were well aware of the terms of the Trust and were aware of the spendthrift provisions.
17 Dr. Frei was the settlor of the Trust, and Stephen had just petitioned the Probate Commissioner nine
18 months earlier to modify the Trust to circumvent the spendthrift language of the Trust. With full
19 knowledge of the Trust language, which would otherwise have made their March 31, 2010
20 settlement impossible, the settlor, Dr. Frei, and the beneficiary effected by the settlement, Stephen,
21 both stated their unequivocal intent that the Trust be modified to permit it to be used to repay the
22 settlor money owed to him by the beneficiary. As such, pursuant to California Probate Code §
23 15404, the Trust was modified and the settlement between Stephen and Dr. Frei was valid and
24 binding upon Stephen and the Trust in all respects.
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B. **The Second Restatement of Trusts Explicitly Allows Irrevocable Trusts to Be Amended, Including Those With Spendthrift Clauses**

1. **The Terms of the Second Restatement of Trusts § 338 Would Apply to this Case**

Not only does California law allow irrevocable trusts to be amended, but the Second Restatement of Trusts does also.² Section 338 of the Second Restatement of Trusts states in full as follows:

- (1) If the settlor and all of the beneficiaries of a trust consent and none of them is under an incapacity, they can compel the termination or modification of the trust, although the purposes of the trust have not been accomplished.
- (2) Although one or more of the beneficiaries of a trust do not consent to its modifications or termination or are under an incapacity, the other beneficiaries with the consent of the settlor can compel a modification or a partial termination of the trust if the interests of the beneficiaries who do not consent or are under an incapacity are not prejudiced thereby.

This language of Section 338 of the Restatement is extremely similar to California Probate Code § 15404, cited above. Section 338 of the Second Restatement of Trusts also applies to any trust with a spendthrift clause. It states, in relevant part, that:

Even if some of the beneficiaries do not consent to the modification of the trust or are under an incapacity, if the settlor and the beneficiaries who do not consent are not under an incapacity, they can compel the modification of the trust although the purposes of the trust with respect to the consenting beneficiaries have not been accomplished, if the interests of the beneficiaries who do not consent or are under an incapacity are not prejudiced thereby. **Thus, although by the terms of the trust or by statute the interest of one or more of the beneficiaries is made inalienable by him, if he is not under an incapacity and the settlor consents, he can transfer his interest, although the other beneficiaries do not consent, since their interests are not affected by the transfer. The restraint on the**

² As noted previously in Premier Trust's Opposition to Petition to Construe Terms of Trust, To Compel Compliance with Terms of Trust, to Confirm Removal of Trustee, to Compel Redress of Breach of Fiduciary Duties, and to Release Jurisdiction of the Trust filed on December 29, 2014, the Nevada Supreme Court has cited, recognized, and relied upon the terms and provisions of the Second Restatement of Trusts in numerous cases. See, e.g., Namow Corp. v. Egger, 668 P.2d 265, 267 (Nev. 1983). Other citations from the Nevada Supreme Court are in Premier Trust's December 29, 2014 Opposition at p. 8, lines 5-8.

alienation of the interest by the beneficiary can be removed by the consent of the beneficiary and of the settlor.

Restatement (Second) of Trusts § 338, cmt. h (1959) (emphasis added). See, also, Musick v. Reynolds, 798 S.W.2d 626, 629 (Tex. App. 1990) (citing Sayers v. Baker, 171 S.W.2d 547 (Tex.Civ.App. 1943)) (“Because an irrevocable spendthrift trust can be modified, we reject appellants’ contentions”).

2. **The Musick Case Is Factually Similar to this Case and Applies Section 338 of the Second Restatement of Trusts**

The facts of Musick v. Reynolds³ are extremely analogous to the present case before this Court and follow the clear rule set forth in the Second Restatement of Trusts § 338. Ted Musick created the “Revised Ted Musick Trust” on March 10, 1972 (the “*Musick Trust*”). The trust was irrevocable and included the following spendthrift clause:

No interest or any part of the interest of any beneficiary of this Trust shall be subject in any event to sale, alienation, hypothecation, pledge, transfer, or subject to any debt of said beneficiary or any judgment against said beneficiary or process in aid of execution of said judgment.

Id., 798 S.W.2d at 627. The Musick Trust was funded with two pieces of real property the same day it was created. Id.

In 1979 a Texas lawsuit, captioned Hollingsworth v. Lucas, was filed. Id. at 628. That lawsuit contested the ownership of the two properties held by the Musick Trust. Id. The lawsuit ultimately settled and the parties to the case, including Ted Musick and certain beneficiaries of the Musick Trust, all entered into a settlement agreement that the Hollingsworth court approved. Id. Ted Muisck later died on December 14, 1981. Id.

Years later, on May 8, 1985, two beneficiaries of the Musick Trust who were also parties to the 1979 settlement agreement brought another lawsuit to challenge the prior settlement. Id. at 628-29. The trial court dismissed their 1985 lawsuit on summary judgment. Id. at 629. On appeal,

³ 798 S.W.2d 626 (Tex. App. 1990).

1 these two beneficiaries argued that the 1979 settlement agreement and the real estate deeds signed
2 because of the settlement were “legal nullities because a beneficiary cannot alienate his interest in a
3 spendthrift trust and because [their] interest in the [Musick Trust] was only a future contingency or
4 expectancy at the time of [the settlement].” Id. at 630. The Texas Court of Appeals rejected this
5 argument, stating that “[t]he settlement agreement and quitclaim deeds [signed as a result of the
6 settlement] were executed to effectuate a modification of the [Musick Trust] in conformity with
7 the settlement agreement.” Id. (emphasis added).

9 These beneficiaries further argued that “even if an irrevocable spendthrift trust can be
10 modified and if the trust was in fact modified, the trust was not properly modified because ‘all’ of
11 the parties did not consent to the modification.” Id. The Court also rejected this argument, holding
12 that “a trust can be modified without the consent of unascertained beneficiaries if their interests are
13 not prejudiced by the modification.” Id. (citing the Restatement (Second) of Trusts § 338(2)
14 (1959)).

16 Just like the Musick case, here we had a Court settlement between a trust’s settlor and some
17 (but not all) of the trust’s beneficiaries in 2010. Now, after the settlor has died, the beneficiary has
18 come, years later, challenging the nature of the former settlement before this Court. Stephen makes
19 the exact arguments the challengers did in the Musick matter: that the spendthrift clause was not
20 modified by the 2010 settlements and prohibited Stephen from using his beneficial interest in the
21 Trust as security for the payments he owed Dr. Frei.

23 Just as the Texas Court of Appeals did, this Court should hold that: (1) the March 2010
24 Settlement and June 2010 Order entered due to the settlement between Stephen and Dr. Frei
25 constituted a valid modification to the Trust between Stephen and Dr. Frei so that the Trust would
26 conform with the nature of these settlements and (2) that Stephen was the only Trust beneficiary
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1 whose consent was necessary to the amendment to the Trust because the interests of the other Trust
2 beneficiaries were not affected by the settlement in any way.

3 Therefore, for the foregoing reasons, the March 2010 Settlement and June 2010 Order
4 should be construed as valid amendments to the Trust, where Dr. Frei and Stephen had a meeting of
5 the minds to nullify any spendthrift protection Stephen may have had previously so that Stephen
6 could pledge his beneficial interest in the Trust as security to repay the monies he promised to Dr.
7 Frei in exchange for the settlement of the various lawsuits against Stephen.
8

9 **III. THE JUNE 2009 ORDER MODIFIED THE SPENDTHRIFT CLAUSE AND**
10 **DEMONSTRATES STEPHEN'S AWARENESS OF THE SPENDTHRIFT CLAUSE**
11 **PRIOR TO THE 2010 SETTLEMENTS**

12 **A. The Spendthrift Clause Ceased to Protect the Beneficiaries of the Trust After**
13 **the Entry of the June 2009 Order For Present and Future Distributions**

14 Premier Trust reasserts all of the arguments made in its Opposition to Petition to
15 Construe Terms of Trust, to Compel Compliance with Terms of Trust, to Confirm Removal of
16 Trustee, to Compel Redress of Breach of Fiduciary Duties, and to Release Jurisdiction of the Trust
17 filed on December 29, 2014 regarding how the June 2009 Order terminated Stephen's spendthrift
18 protections under the Trust. See especially the Opposition at p.8, line 1 through p. 10, line 7.

19 The June 2009 Order amended Article VII of the Trust, which determined the disposition of
20 the Trust's assets following the deaths of Dr. and Mrs. Frei. However, there is an inseparable
21 connection between Article VII and Article XIII (where the spendthrift provision of the Trust is
22 located).

23 Before the entry of the June 2009 Order, the interest each beneficiary had in the Trust was
24 designed around the spendthrift clause. A Trust beneficiary could not demand a distribution from
25 the Trust unless the Trustee allowed the distribution. See, e.g., Article VII, Section 1, Part a (page
26 7-1) of the Trust Agreement. Because a Trust beneficiary could not demand a distribution from the
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1 Trust, neither could creditors of the beneficiary. See, e.g., Scheffel v. Krueger, 782 A.2d 410 (2001)
2 (spendthrift provision of trust barred attachment by creditor).

3 The June 2009 Order specifically allowed each beneficiary to demand and receive their
4 beneficial interest in the Trust at any time following the deaths of Dr. and Mrs. Frei. Because a
5 Trust beneficiary could now demand a distribution from the Trust, so could creditors of each
6 beneficiary.

7
8 Therefore, the June 2009 Order was all about control. If the spendthrift provision of the
9 Trust remained effective, the Trustee retained control over each beneficiary's share of the Trust.
10 The June 2009 Order immediately took control away from the Trustee and placed it into the hands
11 of each Trust beneficiary, which, by definition, also destroyed the restraint on alienation the Trust's
12 spendthrift clause formerly required. Therefore, in summary, you cannot modify Article VII
13 without also affecting Article XIII's spendthrift provision.
14

15 **B. The Second Restatement of Trusts § 153(1) Cannot Apply to the June 2009**
16 **Order Because the Spendthrift Clause Was Modified Immediately Upon the**
17 **Entry of that Order**

18 Premier Trust previously argued in its December 29, 2014 Opposition that the
19 Second Restatement of Trusts § 153(2) applies to the June 2009 Order. See Premier Trust's
20 December 29, 2014 Opposition at p. 8, lines 10-17. Section 153(2) of the Restatement says, in
21 relevant part, that:

22 If the beneficiary is entitled to have the principal conveyed to him immediately, a
23 restraint on the voluntary or involuntary transfer of his interest in the principal is
invalid.

24 Stephen argued in his Reply to Premier Trust's Opposition, filed on January 12, 2015, that
25 the Second Restatement of Trusts § 153(1) applies to the June 2009 Order instead of Section 153(2).
26 See Stephen Brock's January 12, 2015 Reply at p. 4, lines 15-22. Section 153(1) of the Restatement
27 says, in relevant part, that:
28

[I]f by the terms of a trust the beneficiary is entitled to have the principal conveyed to him at a future time, a restraint on the voluntary or involuntary transfer of his interest in the principal is valid.

Stephen's arguments relying upon Section 153(1) of the Restatement have been based upon the assumption that the spendthrift clause remained intact after the 2009 Amendment. However, that assumption is incorrect. Because the 2009 Amendment destroyed the restraint on alienation each beneficiary had when the Trust was initially created, the terms of Section 153(1) simply don't apply. In other words, you cannot argue the spendthrift clause of the Trust protects the Trust beneficiaries until a "future time" when the June 2009 Order had already destroyed the spendthrift clause before the March 2010 Settlement and June 2010 Order were completed.

C. The June 2009 Order Shows Stephen Was Aware of the Spendthrift Clause in the Trust

The June 2009 Order also shows that Stephen was well aware of the spendthrift clause in Article XIII of the Trust Agreement prior to the time the March 2010 Settlement and June 2010 Order were entered. Stephen attempted to show during his prior testimony at the January 26, 2015 hearing before this Court that he was unaware of the spendthrift. In light of the June 2009 Order obtained by Stephen, that simply cannot be the case.

IV. STEPHEN RECEIVED A MULTITUDE OF WRITTEN NOTICES PRIOR TO AND DURING THE TIME PREMIER TRUST MADE THE THREE \$100,000 PAYMENTS TO DR. FREI'S TRUST

In accordance with the terms of the March 2010 Settlement and June 2010 Order, Premier Trust has made three \$100,000.00 payments to the Emil Frei, III Trust. See the Affidavit signed by Mark Dreschler, President and CEO of Premier Trust, attached herewith as **Exhibit "C"** at p. 1, line 25 through p. 2, line 14. Those payments were made on or about October 9, 2013, November 4, 2013 and January 10, 2014. Id. at p. 2, lines 12-15.

All of the payments were made after Stephen, and all 9 of the other Trust beneficiaries, received written notice from Premier Trust of their intentions. Id. at p. 2, line 15 through p. 3, line

1 28. Premier Trust sent written notices by email to all of the Trust beneficiaries, including Stephen,
2 on August 6, 2013, and October 24, 2013. Id. at p. 2, lines 1-9; p. 2, lines 13-24. Copies of the
3 communications sent by Premier Trust to the Trust beneficiaries and the attachments therewith are
4 attached hereto as **Exhibit "D"** and incorporated herein by this reference.

5
6 The August 6, 2013 email included an attached letter, written and signed by Mark Dreschler,
7 President and CEO of Premier Trust, that specifically stated:

8 Please be advised, we will not be distributing any funds to Stephen due to
9 the amounts owed from the Settlement Agreement and we are providing
10 our calculations on what is owed. Again, we will request the personal
11 representatives agree upon these obligations and will then distribute those
12 funds to the probate estate in satisfaction of that Agreement.

13 See Exhibit "D" at p. 3.

14 The October 24, 2013 email included an attached letter, written and signed by Mark
15 Dreschler, that specifically stated:

16 We have received confirmation from the Trustees of Dr. Frei's Trust as to
17 the balance owed by Steven [sic] from the Settlement agreement. This
18 will be paid from his allocation as we showed on the allocation chart you
19 all agreed that we included with our August letter.

20 See Exhibit "D" at p. 10.

21 At no time did either the August 6, 2013 or October 24, 2013 emails sent to Stephen come
22 back to Premier Trust as faulty or rejected in any way. See the Affidavit of Mark Dreschler at
23 Exhibit "C", p. 4, lines 1-4. See also, the Affidavits of Heather St. John and Beth Marchiano at
24 **Exhibit "E"** at p. 2, lines 9-10 and **Exhibit "F"** at p. 2, lines 9-11. None of the beneficiaries,
25 including Stephen, ever raised any objection to the proposed distributions, based upon the 2010
26 settlement agreements.

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1 A. Laches Applies to Stephen's Objections to Premier Trust's Payments to Dr.
2 Frei's Trust Under the March 2010 Settlement and June 2010 Order

3 The doctrine of laches applies when the delay by one party works to the disadvantage
4 of the other party and causes "a change of circumstances which would make the grant of relief to the
5 delaying party inequitable." Building and Const. Trades Council of Northern Nevada v. State ex rel.
6 Public Works Bd., 836 P.2d 633, 636-37 (Nev. 1992) (citing Erickson v. One Thirty-Three, Inc.,
7 104 Nev. 755, 766 P.2d 898 (1988)). The applicability of laches "turns upon the peculiar facts of
8 each case." Home Sav. Ass'n v. Bigelow, 779 P.2d 85, 86 (Nev. 1989). When determining whether
9 the doctrine of laches bars a party's action, this Court must consider whether the moving party
10 inexcusably delayed filing suit, and if yes, whether that delay constitutes acquiescence to the
11 condition challenged and whether the inexcusable delay prejudiced others. Miller v. Burk, 124 Nev.
12 579, 598, 188 P.3d 1112, 1125 (2008).

14 Here, Stephen has been aware of his obligation to repay Dr. Frei since the March 2010
15 Settlement, which was finalized on March 31, 2010. According to his sworn testimony before this
16 Court during the January 26, 2015 hearing, Stephen even made an initial \$5,000.00 payment to Dr.
17 Frei on, or shortly after, March 31, 2010. The notices sent by Premier Trust was a mere formality
18 for Stephen. The three notices sent to all of the Trust beneficiaries also served as a means by
19 Premier Trust to keep the other nine Trust beneficiaries aware of the status of the administration of
20 the Trust.

22 Stephen filed his Petition to Construe Terms of Trust, to Compel Compliance with Terms of
23 Trust, to Confirm Removal of Trustee, to Compel Redress of Breach of Fiduciary Duties, and to
24 Release Jurisdiction of the Trust on November 19, 2014, nearly five years after the March 2010
25 Settlement. By that time, in reliance upon Stephen's settlement agreement and the three notices sent
26 to Stephen and the other beneficiaries, Premier Trust had already paid \$300,000 to Dr. Frei's trust.
27
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1 According to the controlling law cited above, Stephen's inexcusable delay in filing suit to
2 oppose the clear terms of the March 2010 Settlement and June 2010 Order, and Stephen allowing
3 Premier Trust to rely upon the March 2010 Settlement and make payments as set forth in the
4 notices, has prejudiced Premier Trust. Stephen never explains why Premier Trust did not have the
5 right to rely upon the 2010 Settlements, which obviously modified the Trust, to make the three
6 \$100,000 payments to Dr. Emil Frei, III's trust following his death. Therefore, the doctrine of
7 laches should be applied by this Court to prohibit Stephen's challenge to the modification to the
8 Trust that was made in the March 2010 Settlement and June 2010 Order.

10 **B. Judicial Estoppel Applies to Stephen's Objections to Premier Trust's Payments**
11 **to Dr. Frei's Trust Under the March 2010 Settlement and June 2010 Order**

12 Premier Trust previously raised the equitable defense of judicial estoppel in its
13 Opposition to Petition to Construe Terms of Trust, to Compel Compliance with Terms of Trust, to
14 Confirm Removal of Trustee, to Compel Redress of Breach of Fiduciary Duties, and to Release
15 Jurisdiction of the Trust filed on December 29, 2014. See the Opposition at p. 6, line 8 through p. 7,
16 line 20.

17
18 There are five elements of judicial estoppel: (1) a party has taken two positions, (2) the
19 positions were taken in judicial or quasi-judicial administrative proceedings, (3) the party was
20 successful in asserting the first position (i.e., the court adopted the position or accepted it as true),
21 (4) the two positions are totally inconsistent, and (5) the first position was not taken as a result of
22 ignorance, fraud or mistake. Marcuse v. Del Webb Communities, Inc., 163 P.3d 462, 486 (Nev.
23 2007) (citing NOLM, LLC v. County of Clark, 120 Nev. 736, 743, 100 P.3d 648, 663 (2004)).

24
25 A party asserting judicial estoppel does not need to show all of these elements exist to
26 successfully assert the doctrine. Mainor v. Nault, 120 Nev. 750, 765 (Nev. 2004) ("Although not all
27 of these elements are always necessary, the doctrine generally applies when..."). A party may be
28 estopped under the doctrine of judicial estoppel "merely by the fact of having alleged or admitted in

his pleadings or former proceedings the contrary of the assertion sought to be made.” Breliant v. Preferred Equities Corp., 918 P.2d 314, 317 (Nev. 1996) (quoting Sterling Builders, Inc. v. Fuhrman, 80 Nev. 543, 549, 396 P.2d 850, 854 (1964)).

The “mistake” portion of the fifth element of judicial estoppel is for mistakes of fact only, not mistakes of law. Vaile v. Dist. Ct., 118 Nev. 262, 44 P.3d 506, 514 (Nev. 2002) (quoting Sterling Builders, Inc., 80 Nev. at 549-50, 396 P.2d at 854) (“According to the rule of judicial estoppel, a party who has stated an oath in a prior proceeding, ‘as in a pleading,’ that a given fact is true, may not be allowed to deny the same fact in a subsequent action”).

Here, judicial estoppel was made for behavior such as Stephen’s in this case. Stephen’s change from his former position during the March 2010 Settlement and June 2010 Order to the present litigation are wholly inconsistent. Additionally, Stephen’s first position taken in the 2010 proceedings was not taken as a result of ignorance, fraud or mistake of fact. Although Stephen would have this Court believe there was a mistake of law in the 2010 settlements, that cannot be when all parties were represented by counsel, a judge affirmed all of the settlement proceedings, and parties are deemed to understand the law. Accordingly, Stephen is judicially estopped from taking the totally inconsistent position he has in this current case relative to the March 2010 Settlement and June 2010 Order.

V. **STEPHEN CANNOT REMOVE PREMIER TRUST AS TRUSTEE BECAUSE THERE ARE OTHER INCOME BENEFICIARIES OF THE TRUST**

As this Court is aware, the June 2009 Order amended the terms of the Trust so that any of the nine children of Dr. and Mrs. Frei (excepting Stephen) may receive their distributive interest in the Trust. See the June 2009 Order attached with Premier Trust’s December 29, 2014 Opposition at p. 6, lines 18-21⁴.

⁴ The page with this amended distribution language is on page 4 of 11 of the May 20, 2009 Probate Commissioner’s Report and Recommendation Regarding Petition for Order Reforming Terms of Trust. That Report and

At the present time, all of the children of Dr. and Mrs. Frei, other than Stephen, have received their interest in the Trust except a set aside of reserves equaling \$15,529.39 (which divides to \$1,725.49 for each of the nine beneficiaries). See the Affidavit of Mark Dreschler, President and CEO of Premier Trust, at Exhibit "C" at p. 4, lines 18-20.

Article Ten, Section 2 of the Trust Agreement (page 10-1 of the Trust Agreement) allows "a majority of the beneficiaries then eligible to receive mandatory or discretionary distributions of net income" to remove the current trustee of the Trust. Stephen has previously argued that because the nine other beneficiaries only have a small reserve interest in the Trust he is the only income beneficiary and has a right to remove Premier Trust as trustee. See, e.g., Stephen Brock's Reply to Opposition to Petition to Construe Terms of Trust, to Compel Compliance With Terms of Trust, to Confirm Removal of Trustee, to Compel Redress of Breach of Fiduciary Duties, and to Release Jurisdiction of the Trust filed on January 12, 2015 at p. 11, line 18 through p. 12, line 15. However, Stephen's argument is incorrect.

Article Twelve, Section 3, Part f (page 12-4 of the Trust Agreement) states in full as follows:

Our Trustee may determine in a fair, equitable, and practical manner how all Trustee's fees, disbursements, receipts, and wasting assets shall be credited, charged, or apportioned between principal and income.

Our Trustee may set aside from trust income reasonable reserves for taxes, assessments, insurance premiums, repairs, depreciation, obsolescence, depletion, and for the equalization of payments to or for the beneficiaries; it may select any and all accounting periods with regard to the trust property.

All increases in the value of any life insurance policies prior to the death of the insured held by this trust shall be principal and not income.

(emphasis added).

Therefore, although the amounts held by the nine beneficiaries of the Trust is a relatively small amount compared to Stephen's share still held in the Trust, it has been set aside from "trust

Recommendation became an Order (adding two additional pages) on June 12, 2009 and is included ahead of the Report and Recommendation.

1 income" according to the directive of Dr. and Mrs. Frei in their Trust Agreement for reserves.
2 Consequently, all ten original beneficiaries of the Trust are current income beneficiaries of the Trust
3 and a decision by a majority of them to remove a trustee of the Trust would be required. Because a
4 majority of the ten Trust beneficiaries have not asked for Premier Trust to be removed, Premier
5 Trust should remain as a Co-Trustee of the Trust. See Affidavit of Mark Dreschler at Exhibit "C",
6 p. 5, lines 1-3.
7

8 **VI. CONCLUSION**

9 Based upon all of the pleadings filed by Premier Trust in this case, Premier Trust seeks an
10 order from this Court which contains the following:

11 1. That Stephen Brock's Petition to Construe Terms of Trust, to Compel Compliance
12 with Terms of Trust, to Confirm Removal of Trustee, to Compel Redress of Breach of Fiduciary
13 Duties, and to Release Jurisdiction of the Trust filed on November 19, 2014 be denied in its entirety.
14

15 2. That the March 2010 Settlement constituted an agreed modification to the terms of
16 the Trust between Dr. Emil Frei, III, as settlor of the Trust, and Stephen Brock, as a beneficiary of
17 the Trust, whereby Stephen agreed to repay hundreds of thousands of dollars to the Emil Frei Trust
18 and secure that repayment obligation with Stephen's beneficial interest in the Trust.

19 3. That the June 2010 Order constituted an agreed modification to the terms of the Trust
20 between Dr. Emil Frei, III, as settlor of the Trust, and Stephen Brock, as a beneficiary of the Trust,
21 whereby Stephen agreed to repay hundreds of thousands of dollars to the Emil Frei Trust and secure
22 that repayment obligation with Stephen's beneficial interest in the Trust.

23 4. That the June 2009 Order gave Stephen the right to have the principal held in the
24 Trust conveyed to him in such a way so as to nullify the spendthrift protections previously
25 established for Stephen's beneficial interest in the Trust.
26

27 ///
28

1 5. That Stephen is judicially estopped from claiming he cannot offer his beneficial
2 interest in the Trust as security for the repayment obligation he incurred under the March 2010
3 Settlement and June 2010 Order.

4 6. That the doctrine of laches applies to bar Stephen's arguments, claims and defenses
5 raised in all of his pleadings and other documents filed in this case on or since November 19, 2014.
6

7 7. That Premier Trust is not liable to the beneficiaries of the Trust, including Stephen,
8 in any way for the three \$100,000.00 payments made to the Emil Frei Trust in accordance with the
9 terms of the March 2010 Settlement and June 2010 Order, and that such payments were necessary
10 and proper.

11 8. That Stephen's prior consent to allow his beneficial interest in the Trust to be used as
12 security for the payments he agreed to make under the March 2010 Settlement and June 2010 Order
13 bars him from holding Premier Trust liable for the three \$100,000.00 payments made to the Emil
14 Frei Trust due to Stephen consenting to these payments in 2010 and pursuant to the terms of the
15 Second Restatement of Trusts § 216.
16

17 9. That Stephen has failed to provide sufficient evidence of any malfeasance, breach of
18 any duty (fiduciary or otherwise), or violation of law against Premier Trust.

19 10. That all ten beneficiaries of the Trust still hold an income interest in the Trust,
20 pursuant to Article Twelve, Section 3, Part f (page 12-4 of the Trust Agreement) and, consequently,
21 a majority of beneficiaries entitled to an income interest have not agreed to remove Premier Trust as
22 Trustee of the Trust, according to the requirement of Article Ten, Section 2 of the Trust Agreement
23 (page 10-1 of the Trust Agreement) and Premier Trust remain as a Co-Trustee.
24

25 11. That Stephen's beneficial interest in the Trust should be charged with all legal fees of
26 the Trust in defending against Stephen's petition.

27 ///
28

12. For such further relief as this Court deems necessary or proper.

DATED this 9 day of FEBRUARY, 2015.

GERRARD COX LARSEN



DOUGLAS D. GERRARD, ESQ.

Nevada Bar No. 4613

RICHARD D. CHATWIN, ESQ.

Nevada Bar No. 10870

2450 St. Rose Parkway, Suite 200

Henderson, Nevada 89074

Attorneys for Premier Trust, Inc.

[VERIFICATION ON THE FOLLOWING PAGE]

GERRARD, COX & LARSEN
2450 St. Rose Parkway, Suite 200
Henderson, NV 89074
O: (702) 796-4000 F: (702) 796-4788

VERIFICATION

STATE OF NEVADA)
) ss:
COUNTY OF CLARK)

The undersigned, being first duly sworn, deposes and states that I am a duly authorized representative of PREMIER TRUST, INC., the petitioner in the foregoing action; that I have read PREMIER TRUST'S SUPPLEMENT TO OPPOSITION TO PETITION TO CONSTRUE TERMS OF TRUST, TO COMPEL COMPLIANCE WITH TERMS OF TRUST, TO CONFIRM REMOVAL OF TRUSTEE, TO COMPEL REDRESS OF BREACH OF FIDUCIARY DUTIES, AND TO RELEASE JURISDICTION OF THE TRUST and that the same is true of my own knowledge, except for matters stated therein on information and belief, and as for those matters, I believe them to be true.

PREMIER TRUST, INC.

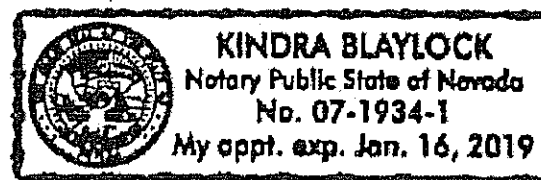

By: **Mark Dreschler**
Its: **President/CEO**

SUBSCRIBED and SWORN to before me

this 9th day of February

2015.


NOTARY PUBLIC



GERRARD, COX & LARSEN
2450 St. Rose Parkway, Suite 200
Henderson, NV 89074
O:(702)796-4000 F:(702)796-47848

CERTIFICATE OF SERVICE

I hereby certify that I am an employee of GERRARD, COX & LARSEN, and that on the 9th day of February, 2015, I served a true and correct copy of **PREMIER TRUST'S SUPPLEMENT TO OPPOSITION TO PETITION TO CONSTRUE TERMS OF TRUST, TO COMPEL COMPLIANCE WITH TERMS OF TRUST, TO CONFIRM REMOVAL OF TRUSTEE, TO COMPEL REDRESS OF BREACH OF FIDUCIARY DUTIES, AND TO RELEASE JURISDICTION OF THE TRUST**, by e-serving a copy on all parties listed in the Master Service List pursuant to Administrative Order 14-2, entered by the Chief Judge, Jennifer Togliatti, on May 9, 2014, and by depositing a true and correct copy in the United States postal mail in Henderson, Nevada, to the addressed as follows:

Elliot S. Blut, Esq.
Blut & Campaign
300 S. Fourth Street, Suite 701
Las Vegas, NV 89101

Dana A. Dwiggins, Esq.
Solomon Dwiggins & Freer, Ltd.
9060 West Cheyenne Avenue
Las Vegas, NV 89129

Lawrence Howe
839 Columbian Ave.
Oak Park, IL 60302

Peter Brock
Box 362
Garrett Park, MD 20896

Francis Brock
215 Creek Walk Drive
Walkersville, MD 21793

Vincent Brock
15549 La Subida Drive
Hacienda Heights, CA 91745

John Brock
P.O. Box 127
Santa Barbara, CA 93102

Elizabeth Frei
63 Park Ave.
Bedford Hills, NY 10057

Emil Frei, IV
3 Basswood Lane
Andover, MA 01810

Alice Frei
2401 Dorrington Street
Houston, TX 77030

Nancy Frei
P.O. Box 81924
Fairbanks, AK 99709

Judy Frei
839 Columbian Ave.
Oak Park, IL 60302

/s/ Kanani Gonzales
An employee of Gerrard Cox Larsen

EXHIBIT “A”

EXHIBIT “A”

EXHIBIT “A”

ORIGINAL

DISTRICT COURT
CLARK COUNTY, NEVADA
* * * * *

Allen L. Shuman
CLERK OF THE COURT

EMIL FREI, III

Plaintiff

vs.

PUBLIC COMPANY MANAGEMENT
CORP., et al.

Defendant

CASE NO. A-588750

DEPT. NO. I

Transcript of
Proceedings

BEFORE THE HONORABLE KENNETH C. CORY, DISTRICT COURT JUDGE

PORTION OF JURY TRIAL - DAY 3
(PLACING OF SETTLEMENT ON THE RECORD)

WEDNESDAY, MARCH 31, 2010

APPEARANCES:

FOR THE PLAINTIFF:

ELLIOT S. BLUT, ESQ.

FOR THE DEFENDANTS:

WILLIAM R. URGAS, ESQ.
DANA A. DWIGGINS, ESQ.

ALSO PRESENT:

DR. EMIL FREI, III
MS. MARY FREI

COURT RECORDER:

TRANSCRIPTION BY:

BEVERLY SIGURNIK
District Court

FLORENCE HOYT
Las Vegas, Nevada 89146

Proceedings recorded by audio-visual recording, transcript
produced by transcription service.

COPY

DISTRICT COURT
CLARK COUNTY, NEVADA
* * * * *

EMIL FREI, III

Plaintiff

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CORP., et al.

Defendant

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Las Vegas, Nevada 89146

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1 LAS VEGAS, NEVADA, WEDNESDAY, MARCH 31, 2010, 2:20 P.M.

2 (Prior proceedings not transcribed)

3 (Jury is not present)

4 THE COURT: All right. We are on the record. My
5 understanding is there is a settlement in this case.

6 MR. BLUT: That's correct, Your Honor.

7 MR. URGAS: That is true, Your Honor. In fact, it's
8 going to be a global settlement that will relate to a case
9 that's pending in the Probate Court and also other litigation
10 that's pending in other courtrooms in the District Court here
11 between the parties. And I'm going to request that Dana
12 Dwiggins present the settlement offer, because she has spent
13 the lion's share of the time negotiating with Mr. Blut and has
14 the details.

15 THE COURT: All right. Ms. Dwiggins.

16 MS. DWIGGINS: I'm going to just review it,
17 primarily.

18 The Emil Frei, III, Trust as amended will receive
19 assets in the total amount of 400,000, consisting of certain
20 Bank of America investment accounts, less the PCMC stock which
21 is held in those accounts. The PCMC stock shall be assigned
22 to the Adoria S. Frei Trust. She'll also --

23 The Emil Frei, III, Trust shall also receive the
24 surrender value of a New York Life Insurance Policy Number
25 43926238 that has a current death benefit of 180,000 and a

1 cash value of approximately 140,000. And to the extent the
2 foregoing amounts are less than 400,000, the difference in
3 such amounts shall be paid from the funds currently held in
4 trust with Attorney Pat Byrne in his trust account.

5 Any remaining funds in that trust account shall be
6 paid over to the Adoria S. Frei Trust, and Dr. Frei shall
7 cooperate, if necessary, in surrendering the New York Life
8 Insurance policy that's referenced.

9 I guess I can't say subject to paragraph 4, can I?
10 Well, let me start -- that was paragraph 1.

11 Paragraph 2, subject to paragraph 4, Stephen Brock
12 individually will pay a total sum in the amount of \$175,000 to
13 the Emil Frei, III, Trust as amendment [sic]. Said amount
14 shall be treated as repayment of any loan made by the Adoria
15 S. Frei Trust to Stephen Brock.

16 Paragraph 3, subject also to paragraph 4, Stephen
17 Brock individually will pay a total sum of \$150,000 to the
18 Emil Frei, III, Trust, as amended, and Stephen Brock
19 individually and/or the Adoria S. Frei Trust will pay an
20 additional total sum of \$90,000 to the Emil Frei, III, Trust
21 as amended, for a total of \$240,000.

22 Paragraph 4, the amounts set forth above, namely
23 being the 170,000 [sic], the 150,000, and the 90,000, shall be
24 paid with interest commencing on June 1st, 2010, at the rate
25 of prime interest plus 1, payable over the course of three

1 years at 5,000 per month, with the outstanding balance paid on
2 May 31st, 2013, unless otherwise paid sooner. This amount
3 shall be secured by Stephen Brock's interest in the joint life
4 insurance policy, which shall not be disclaimed by Stephen
5 Brock. In the event the policy is sold, then any amounts
6 received by Stephen Brock pursuant to his interest in the
7 joint life insurance trust shall at Stephen Brock's option
8 either be applied to principal or, in the event not applied to
9 principal, Stephen Brock shall substitute the security with
10 some other adequate security.

11 Stephen Brock further represents that he has not
12 previously assigned or otherwise disclaimed his interest in
13 the joint life insurance trust.

14 In the event there is a default in any of the
15 payments there shall be a default interest rate of 5 percent.

16 Paragraph Number 5, Stephen Brock individually will
17 pay an additional sum in the amount of \$100,000 to the Emil
18 Frei, III, Trust as amendment [sic], said amount, which shall
19 be repaid with interest at the rate of 6 percent, payable over
20 the course of one year at 5,000 per month, with the first
21 payment and interest commencing on June 1st, 2013, and the
22 outstanding balance paid on May 31st, 2014, unless otherwise
23 paid sooner.

24 Paragraph 6, Stephen Brock additionally -- or,
25 excuse me. Stephen Brock individually will pay an additional

1 sum in the amount of \$100,000 to the Emil Frei, III, Trust as
2 amendment, which amount shall be repaid with interest at the
3 rate of 6 percent, payable over the course of one year at
4 5,000 per month, with the first payment and interest
5 commencing on June 1st, 2014, and the outstanding balance paid
6 on May 31st, 2015, unless otherwise paid sooner.

7 Paragraph 7. all real property held in the name of
8 Emil Frei, III, Adoria Frei, and/or the Adoria Frei Trust,
9 including, but not limited to, certain real property located
10 at 5780 El Camino Road, Las Vegas, Nevada; real property
11 located at 10802 Kennelworth Avenue, Garrett Park, including
12 the home and the lot; and certain real property located at 401
13 Grossner Place, Rockville, shall remain in the Adoria S. Frei
14 Trust. The Adoria S. Frei Trust shall make reasonable efforts
15 to refinance such properties so as to remove Dr. Frei's name
16 from any loans thereon, if any.

17 In the event there is a foreclosure on the El Camino
18 property located here in Las Vegas that results in a
19 deficiency judgment against Dr. Frei individually, said amount
20 shall be paid from Stephen Brock's interest in the joint life
21 insurance trust, which shall not be disclaimed by Stephen
22 Brock.

23 Paragraph 8. Dr. Frei shall be responsible for any
24 and all fees and costs incurred by Fred Wade as guardian ad
25 litem for Dr. Frei, including, but not limited to, fees

1 incurred by Hutchison & Steffen on his behalf.

2 Paragraph 9, the outstanding 2008 tax liability
3 relating to the 1040 filed on behalf of Dr. Frei and Adoria
4 Frei shall be equally split between Dr. Frei and the Adoria S.
5 Frei Trust, provided, however, that the Adoria S. Frei Trust
6 shall be entitled to make payments on such tax liability.

7 Paragraph 10, certain lawsuit relating to Deer Creek
8 real property shall be assigned by Dr. Frei to Stephen Brock
9 individually.

10 Paragraph Number 11, neither Dr. Frei; Elizabeth
11 Frei; Emil Frei, IV; Judith Frei; Lawrence Howe; Nancy Frei;
12 and/or Alice Frei shall directly or indirectly disparage
13 Stephen Brock, Public Company Management Corporation, Go
14 Public Today, or any of their affiliates or subsidiaries, and
15 shall not file or make any complaint or cause to be filed or
16 make any complaint by any third party with the Security
17 Exchange Commission or any other governmental agency, state or
18 federal, relating to Public Company Management Corporation, Go
19 Public Today, or any of their affiliates or subsidiaries. Dr.
20 Frei; Elizabeth Frei; Emil Frei, IV; Judith Frei; Lawrence
21 Howe; Nancy Frei; and/or Alice Frei additionally represent
22 that -- that any complaints or inquiries previously made by
23 either of them, either directly or indirectly, to any
24 governmental agency, state or federal, will be withdrawn, and
25 no further complaints or inquiries will be made. And to the

1 extent any costs are incurred by Stephen Brock, Public Company
2 Management Corporation, Go Public Today, or any of their
3 affiliates or subsidiaries as a result of any complaint or
4 inquiry made to any governmental agency, state or federal,
5 then such costs shall be deducted from the amount owed -- or
6 paid by Stephen Brock pursuant to this agreement.

7 MR. BLUT: And that's costs and things that are
8 incurred after this settlement has been entered, and does not
9 apply to costs that have previously been assessed.

10 THE COURT: Previously -- previously assessed costs,
11 then, are not included in that paragraph?

12 MS. DWIGGINS: Correct.

13 THE COURT: Okay.

14 MS. DWIGGINS: Stephen Brock, Public Company
15 Management Corporation, Go Public Today, or any of their
16 affiliates or subsidiaries agree not to use Dr. Frei's name in
17 any manner.

18 Paragraph 12, except as to the terms set forth
19 herein, Stephen Brock individually, as the prior attorney in
20 fact for Emil Frei, III, and Adoria S. Frei, as well as
21 trustee of the Adoria S. Frei Trust, and the Adoria S. Frei
22 Trust shall be granted a full release relating to any matter
23 concerning the Adoria S. Frei Trust; the Emil Frei, III,
24 Trust; Adoria S. Frei; or Emil Frei individually. Said
25 general release shall be granted by Dr. Frei; Elizabeth Frei;

1 Emil Frei, IV; Judith Frei; Lawrence Howe; Nancy Frei; and/or
2 Alice Frei; and any and all other heirs.

3 Paragraph 13, Emil Frei, III, shall waive any and
4 all interest in the Adoria S. Frei Trust, including any right
5 to receive an accounting of such trust, and shall no longer be
6 considered a beneficiary of the trust entitled to receive any
7 information.

8 Paragraph 14, the interest and collateral payments
9 on the joint life insurance policy on the life of Dr. Frei
10 with a death benefit of approximately \$8 million shall be paid
11 equally by Dr. Frei and/or any of his children on the one
12 hand, and any of Adoria S. Frei's children and/or the Adoria
13 S. Frei Trust on the other hand. It is represented that the
14 current interest and collateral payments are approximately
15 \$30,000 per year.

16 In the event premiums are due on such policy, the
17 parties shall cooperate with one another in making such
18 payments, and the trustee shall be authorized to make
19 reasonable efforts to obtain premium financing and/or other
20 financing in order to make such premium payments.

21 In the event any payments due under the policy are
22 made disproportionate by any beneficiary, then said
23 beneficiary shall be entitled to reimbursement of said amount
24 from the gross proceeds of the life insurance policy.

25 Dr. Frei and/or his children shall be responsible

1 for the premium and/or interest and collateral payments on the
2 single life insurance policy.

3 Paragraph 15, all proceedings currently pending
4 before the Probate Court relating to the Adoria S. Frei Trust,
5 Case Number P-065235, shall be dismissed with prejudice,
6 including the petition relating to any accounting.

7 Paragraph 16, any and all actions initiated by and
8 against Stephen Brock, Public Company Management Corporation,
9 the Adoria S. Frei Trust, Dr. Frei, and/or his children shall
10 be dismissed with prejudice, including any counterclaims
11 asserted therein, and all parties thereto shall be granted a
12 general release.

13 And I guess paragraph 17, Stephen Brock shall waive
14 any and all interest in Emil Frei, III, Trust.

15 Did I get them all?

16 MR. BLUT: I think paragraph 18 would be that
17 there'll be no use by Mr. Brock or Public Company Management
18 Company or NEDAB or any related affiliated companies of Dr.
19 Frei's name or likeness, that --

20 MS. DWIGGINS: I included that already, but --

21 MR. BLUT: The next paragraph in line, that --
22 similar to paragraph 12, that it's basically a mutual general
23 release of all claims, not just from the Frei side or the
24 Brock side, but also Mr. Brock and his company, and related
25 companies are also granting a general release to Dr. Frei;

1 Lawrence Howe; Emil Frei, IV; Mary Frei; Judy Frei; Alice
2 Frei; and Nancy Frei.

3 Also specifically as to Paragraph Number 1, there
4 has been a representation and warranty of the cash on hand in
5 the Adoria Frei Trust, including the representation was
6 approximately -- and I stress approximately -- 200,000 in the
7 Bank of America account such that there would be a requirement
8 of approximately 60,000 from the Pat Byrne account, and that's
9 a specific representation that's being made to induce Dr. Frei
10 to enter the agreement.

11 MS. DWIGGINS: I guess I just want to clarify. With
12 respect to the Bank of America investment accounts I believe
13 the last statement indicated there was a balance of
14 approximately \$190,000, and that would be less the value of
15 the PCMC stock as indicated on those statements.

16 MR. BLUT: That's --

17 THE COURT: The parties agree that whatever the last
18 bank statement is on that account is the operable --

19 MR. BLUT: In terms of the representations that are
20 being made, yes.

21 THE COURT: Okay.

22 MR. BLUT: That's all we're trying to make clear,
23 Your Honor.

24 THE COURT: All right. Is that agreeable?

25 MR. BLUT: Thank you. Also that Mr. Brock will

1 consent to a petition, and really all parties will consent to
2 petitions in the Probate Court to the extent necessary to
3 confirm the agreement and have court order specifically
4 relating to the joint life insurance trust and the waiver of
5 -- and the agreement to not disclaim his interest by Mr.
6 Brock.

7 I just want to make sure that's agreed.

8 MS. DWIGGINS: We agree that a petition will be
9 filed relative to Stephen Brock's inability to disclaim or
10 otherwise assign his interest in the trust.

11 MR. BLUT: Okay. And we will --

12 THE COURT: Is that agreeable?

13 MR. BLUT: Yes.

14 THE COURT: Okay.

15 MR. BLUT: There'll be representations in there also
16 as to what the security that that interest is being given and
17 what that is being given for. That way the trustees can be
18 aware of the security interest in that contingent interest in
19 the life insurance policy trust.

20 MS. DWIGGINS: I believe we could just provide the
21 trustees a copy of the settlement agreement --

22 MR. BLUT: Okay.

23 MS. DWIGGINS: -- that provides it, what's secured.
24 I don't believe it's necessary for that to be subject to a
25 petition of the court.

1 MR. BLUT: Well, I guess it would just be whether
2 there's an agreement that Mr. Brock would consent, obviously
3 after review by his counsel, to a petition that would comport
4 and comply with the terms that are on the record.

5 THE COURT: Am I hearing agreement by both sides on
6 that point, then?

7 MS. DWIGGINS: I guess I'm not sure I fully
8 understand. As with respect to the joint life insurance
9 trust, correct.

10 MR. BLUT: Yes. That was the point.

11 THE COURT: That is the point?

12 MR. BLUT: Yes.

13 THE COURT: So there's agreement as to that point.

14 MS. DWIGGINS: I guess I'm not sure if you needed an
15 order stating that he's not going to disclaim it, but as --
16 just as opposed to providing a copy of the settlement
17 agreement to the trustee. But if it's necessary to obtain an
18 order, then we agree.

19 THE COURT: Any other additions, Mr. Blut?

20 MR. BLUT: That the -- that there's been a -- and
21 maybe Ms. Dwiggin's can make the -- well, before getting to
22 that, also that there will be a -- within 60 days that will be
23 provided, and the trustee of the Adoria Frei Trust will
24 cooperate with the keys to the storage facilities both here
25 and in Maryland that contains Dr. Frei's personal property.

1 MS. DWIGGINS: We agree to provide them access to
2 it, the storage facilities.

3 THE COURT: Is that agreeable?

4 (Pause in the proceedings)

5 MS. DWIGGINS: We'll represent we have not removed
6 any items from the storage facilities.

7 THE COURT: Okay.

8 MS. FREI: Either in Maryland or here?

9 MS. DWIGGINS: Either Maryland or Las Vegas.

10 MS. FREI: And the storage facility would contain
11 the items from his home.

12 THE COURT: Well, they -- the most they can
13 represent is they haven't removed anything.

14 MS. FREI: But can I speak. Would it make sense for
15 my father to list the specific items that he definitely wants
16 returned that could have been removed from his home and taken
17 to one of their homes?

18 MS. DWIGGINS: We will represent that the items from
19 the home were packed by a professional moving company and
20 placed in storage, and nothing was removed by my client.

21 THE COURT: Okay. So that's the representation.
22 The only question is whether there is agreement, then. With
23 that representation, is that satisfactory, then?

24 MR. BLUT: Can we -- can we get -- there's
25 apparently an inventory list.

1 MS. DWIGGINS: We will provide a copy of the
2 inventory list.

3 THE COURT: There you go.

4 MR. BLUT: Okay.

5 THE COURT: So a copy of the inventory list will be
6 provided, and the representation is made that nothing has been
7 removed from storage and that professional movers were used to
8 remove everything from the home and take it to the storage.
9 Is that agreeable, then, that that satisfies that --

10 MS. FREI: What would be the down side of listing
11 the few specific items that he definitely wanted returned to
12 him?

13 THE COURT: Well, there's no down side to it, except
14 we are here now with a jury sitting out in the hall. So --

15 MS. FREI: Well, I can tell you right now there's an
16 urn and a mosaic table that he absolutely wants returned.

17 THE COURT: Okay. Do we know anything about an urn
18 and a mosaic table?

19 MR. BROCK: That's in Maryland, to the best of my
20 knowledge, and my understanding is it's still there.

21 THE COURT: Have you seen it there?

22 MR. BROCK: I have not been to Maryland to see it.

23 THE COURT: Okay. Is that something that would have
24 been included in the items taken by the professional movers
25 from the home to the storage?

1 MR. BROCK: That was a separate move in Maryland
2 from a condominium.

3 THE COURT: Okay.

4 MR. BROCK: The professional movers were here at El
5 Camino, so I can't attest to -- my brothers moved everything
6 out for that rental unit to be rented.

7 THE COURT: Okay. So does that sound right, that it
8 would have gone from the condominium to storage back there?

9 MS. FREI: It would have, assuming that's where it
10 went.

11 THE COURT: Okay. Well, then the -- how do you want
12 to handle it? The representation could be that it's there if
13 you -- if you know that everything went there.

14 MS. DWIGGINS: We don't know. We did not handle
15 that move.

16 MR. BROCK: It's been represented. I can call my
17 brother right now if you're going to represent it, if you'd
18 like.

19 THE COURT: Well, can we -- would it make sense to
20 do this? I mean, this is going to have to be boiled down to a
21 writing. By the time you put it in writing you can confirm
22 that it's there and put that -- put an affirmative
23 representation, then, in there that those two items, the urn
24 and the -- what was the other thing?

25 MS. FREI: Well, the specific ones he wants back are

1 the urn and the mosaic table.

2 THE COURT: Urn and the mosaic table. And then the
3 general representation that the rest of the items were taken
4 there, as well; right? So is that agreeable, then, to make
5 that subject to confirmation so that you can make the specific
6 representation as to those two items?

7 MS. DWIGGINS: We could contact Peter --

8 Is it Peter Brock?

9 MR. BROCK: Peter.

10 MS. DWIGGINS: -- Peter Brock to see if those items
11 were placed in storage, yes.

12 THE COURT: Okay. So we have an agreement in
13 principle. It will be confirmed with an affirmative
14 representation in writing that these two items are there, and
15 it's already been represented that all the items in fact were
16 taken from the condominium and put into the storage there.

17 MS. FREI: Just one other thing. My dad would
18 really like to go see his stuff tomorrow. Is that possible?

19 MS. DWIGGINS: I would have to talk to my client and
20 see if -- I mean, if he could contact the storage company --

21 MR. BROCK: I haven't talked to the storage company
22 in six months. I just have to contact them and --

23 THE COURT: Okay. And --

24 MS. FREI: I know it's a little --

25 MS. DWIGGINS: We'll make reasonable efforts --

1 THE COURT: Who's in charge?
2 MS. DWIGGINS: -- to make sure.
3 MR. BROCK: I have the information --
4 THE COURT: Okay. So all reasonable efforts will be
5 made to give any permission necessary from the defense so that
6 that visit could be made. Is that satisfactory?
7 DR. FREI: Yeah, that's -- that's all right.
8 THE COURT: Okay.
9 MR. BLUT: And Ms. Dwiggin had made -- and hope --
10 I think there's a representation that of the Pacific Life and
11 Jackson National Life annuity accounts that were liquidated in
12 2009, there's a representation made that taxes were withheld.
13 MS. DWIGGINS: There's a representation that --
14 we'll make the representation that we requested taxes to be
15 withheld.
16 THE COURT: There will be a -- the representation is
17 that there will be a request to withhold taxes? Is that the
18 way you put it?
19 MS. DWIGGINS: Correct. At the time of liquidation.
20 THE COURT: Okay.
21 MR. BLUT: Well, that would have been in the past,
22 Your Honor, that there was a request that the annuity
23 companies withhold taxes.
24 MS. FREI: But the concern is that Dad doesn't want
25 to get saddled with taxes on that.

1 MS. DWIGGINS: We would have to review the
2 documents. The best of our knowledge, the requests -- well, I
3 can represent that there was a request made to withhold taxes,
4 and to the best of our knowledge taxes in fact were withheld.

5 THE COURT: Okay. All right.

6 MS. FREI: And if they were not?

7 THE COURT: Well, here's our problem, ma'am. We're
8 -- the question that I have is do I go forward with the trial,
9 or do I stop. I stop if I have a deal that's sufficient, even
10 though it hasn't been boiled down in writing, that there is as
11 much understanding and agreement on all the fine details as we
12 can put on it at this point. If there is something that
13 you're telling me it's a deal breaker if there's not some --
14 some particular and if they're not in a position to make the
15 affirmation that it's done in a certain way or, in this case,
16 that the taxes have been withheld --

17 Are you able -- what's the representation in
18 relation to that?

19 MS. DWIGGINS: The problem is Mr. Blut just informed
20 me of this issue as we were walking into court this afternoon,
21 so I unfortunately don't have the documents accessible to me.
22 I have been able to confirm through the requests for
23 liquidation, which were the only documents I was able to
24 access, that there was in fact a request made for taxes to be
25 withheld.

1 THE COURT: Okay.

2 MS. DWIGGINS: And to the best of our knowledge,
3 they in fact were withheld. However, I have not been able to
4 confirm that one way or another, and therefore cannot
5 represent it.

6 THE COURT: The request would have been made to
7 whom?

8 MS. DWIGGINS: Directly to Jackson National Life.

9 THE COURT: Okay.

10 MS. FREI: Well, let me ask -- go ahead, Dad.

11 DR. FREI: There are many things in there that are
12 -- such as books, paintings, et cetera, that --

13 THE COURT: In the storage?

14 DR. FREI: -- are in the storage unit, in those
15 three facilities.

16 MR. BLUT: Well, she's going to get you into the one
17 tomorrow.

18 MS. FREI: She's going to do her best to let us go
19 look at your stuff tomorrow, Dad. Not the stuff in Maryland,
20 but the stuff here.

21 THE COURT: So the question is is it agreeable and
22 is there agreement that -- and that will be confirmed, that
23 the request was made to the Jackson National Bank [sic] to
24 withhold taxes?

25 MS. DWIGGINS: Jackson National Life, correct.

1 MR. URGAL: Life insurance.

2 THE COURT: Jackson National Life Insurance to
3 withhold taxes. That's an affirmative representation that's
4 being made as part of this.

5 MS. FREI: And this is all new to me, and if the
6 taxes aren't withheld, he then really is left with virtually
7 no cash to live on. So my question to you is what happens if
8 the taxes weren't withheld? We're only talking about his
9 getting about \$280,000 in cash.

10 THE COURT: Well, it sounds like we don't really
11 have a deal, then. If I'm understanding, what you're saying
12 is you have real questions and you're not -- you're not able
13 to put a settlement on the record at this point. Is that what
14 you're telling me?

15 MS. FREI: I --

16 THE COURT: All right. Bring the jury in. We're
17 going to trial.

18 MR. URGAL: Unbelievable.

19 MS. FREI: Am I wrong? I mean --

20 MR. BLUT: They made the representation.

21 MS. FREI: I don't know what that means.

22 MR. BLUT: Well, they're saying that they asked for
23 it.

24 MS. FREI: Well, what if it didn't happen, Elliot?
25 Then Dad has nothing.

1 MR. BLUT: Well, I know. But then we really don't
2 -- don't have any settlement.

3 MS. FREI: Well, just -- I don't know what to tell
4 you.

5 (Court recessed at 2:46 p.m., until 2:53 p.m.)

6 (Jury is present)

7 (Continued testimony of Stephen Brock - not transcribed)

8 (Court recessed at 4:02 p.m., until 4:17 p.m.)

9 (Jury is not present)

10 THE COURT: All right. I understand the parties
11 think they have it settled. But, folks, we have -- we have
12 stopped this trial in the middle twice now for hours on end on
13 a trial that we had a set time frame which we gave to this
14 jury, and they've been sitting out there cooling their heels,
15 and the clock is running, and we may or may not get done in
16 time. I am not willing to hold off any longer. We're going
17 to try this case or you're going to settle it, but we're not
18 going to kind of do some of one and some of the other.

19 Now, if you're ready to settle the case and you can
20 put it on the record quickly, let's do it. Otherwise, we'll
21 bring the jury in, we'll try through the end of the day, and
22 then we'll see whether we can put it on the record.

23 MR. URGAS: Your Honor, the one issue that was
24 outstanding is whether the taxes were withheld on the
25 liquidation of the Jackson Life and the Pacific Life insurance

1 for 2009, and we have confirmed that the taxes were withheld.

2 THE COURT: All right. Is that agreeable?

3 MR. BLUT: It's agreeable with that representation,
4 Your Honor. That was the last piece.

5 THE COURT: All right. And is that the end of the
6 -- of putting it -- spreading the settlement on the record?

7 MR. BLUT: Yes. As long -- I'm sure we can piece
8 together, Your Honor, what we've put on before and now. That
9 was the last piece.

10 THE COURT: All right. Now, what the parties need
11 to understand, though, is that if we're going to stop this
12 trial -- I take it what you're saying is this case is settled
13 and you want to stop the trial.

14 MR. URGAS: This case is settled, Your Honor.

15 THE COURT: If we're going to stop this trial, it
16 needs to be that everyone understands that even though we are
17 going to wait and you're going to boil it down into writing
18 signed by the parties, which is the proper way to do it.
19 There has been spread on this record understanding as to what
20 the settlement is. My position has always been that when that
21 happens that becomes a binding settlement agreement now. I
22 understand that there may be problems crop up because you
23 can't give it all the fine touches and there are things that
24 will have to be said. But my position is that this is a
25 binding settlement agreement as of now and that if a party

1 desires to seek enforcement of that settlement agreement,
2 they're free to do so just based on the record that's here
3 today.

4 Now, it will be a binding settlement agreement if
5 the individuals involved indicate on the record that that is
6 their understanding and that they wish to settle the case on
7 those terms.

8 I will ask you, Mr. Brock, is that your
9 understanding and do you wish to settle the case on those
10 terms?

11 MR. BROCK: Yes, it is, Your Honor. And I do.

12 THE COURT: All right. Mr. Frei, is that your
13 understanding of the settlement terms and is it your desire to
14 settle this case on those terms that have been spread upon the
15 record?

16 DR. FREI: Yes.

17 THE COURT: All right. And the attorneys know this,
18 but the rest of the folks don't. We not only have somebody
19 back here making notes, but our record is -- there are video
20 cameras all around here, and that constitutes the record of
21 not only the trial, but now of the settlement agreement. It
22 appears to me that there has been a settlement here, and,
23 accordingly, we will end this trial.

24 I congratulate the parties. I hope that my firming
25 up here is not misconstrued. We have an important matter of a

1 jury trial here with jurors sitting around. And we're free to
2 settle it at any point that you want to, but we're not going
3 to spend multiple times talking about it and not doing it and
4 then think that we're going to finish a trial on time.

5 MR. URGAS: Your Honor, I think we still would have
6 finished the trial on time; but thank goodness we were able to
7 get it settled.

8 THE COURT: I put that in the same category as
9 attorneys that tell me that they'll be brief. I've seen it
10 breached more often than I've seen it adhered to.

11 MR. URGAS: That's my best understanding today.
12 How's that?

13 THE COURT: Are the parties agreeable, then, for me
14 to bring the jury in --

15 MR. URGAS: Absolutely.

16 THE COURT: -- and announce to them that the
17 matter's been settled?

18 MR. URGAS: Absolutely.

19 MR. BLUT: Yes, Your Honor.

20 THE COURT: All right. Let's bring the jury.

21 (Jury reconvened at 4:22 p.m.)

22 (Jury thanked and discharged and
23 proceedings concluded at 4:26 p.m.)

24

25

* * * * *

CERTIFICATION

I CERTIFY THAT THE FOREGOING IS A CORRECT TRANSCRIPT FROM THE AUDIO-VISUAL RECORDING OF THE PROCEEDINGS IN THE ABOVE-ENTITLED MATTER.

AFFIRMATION

I AFFIRM THAT THIS TRANSCRIPT DOES NOT CONTAIN THE SOCIAL SECURITY OR TAX IDENTIFICATION NUMBER OF ANY PERSON OR ENTITY.

FLORENCE HOYT
Las Vegas, Nevada 89146

Florence M. Hoyt

FLORENCE HOYT, TRANSCRIBER

4/3/10

DATE

EXHIBIT “B”

EXHIBIT “B”

EXHIBIT “B”

ORIGINAL

FILED

APR 16 3 13 PM '10

Ann L. Sullivan
CLERK OF THE COURT

PETN
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Attorneys for STEPHEN BROCK,
Trustee of the Adoria S. Frei Trust - 1999

DISTRICT COURT

CLARK COUNTY, NEVADA

In the Matter of

ADORIA S. FREI TRUST - 1999, dated,
September 14, 1999

Case No.: P-09-065235-T
Dept No.: PC1

Date of Hearing: April 30, 2010
Time of Hearing: 9:30 a.m.

PETITION TO APPROVE SETTLEMENT AGREEMENT

Stephen Brock ("Brock" or "Trustee"), Trustee of the Adoria Frei Trust - 1999, dated September 14, 2009 ("Trust"), by and through his counsel, Dana A. Dwiggins, Esq., of the law firm SOLOMON DWIGGINS FREER & MORSE, LTD., hereby petitions this Court for an order approving the Settlement Agreement and Mutual Release ("Agreement") pursuant to NRS 147.180 and alleges as follows:

1. An evidentiary hearing in this matter was held over the course of several days specifically, January 27, 2010, January 28, 2010, January 29, 2010, March 17, 2010, March 18, 2010, March 19, 2010. The evidentiary hearing was scheduled to conclude on March 31, 2010.

2. On March 31, 2010, the parties reached a global settlement agreement pertaining to the instant action as well as Eighth Judicial District Court Case No. A-09-588750-C and Eighth Judicial District Court Case No. A-10-607772-C. The substantive terms of the settlement agreement were placed on the record in open court before the Honorable Kenneth C. Cory and became the subject of a minute order. As a result of such global settlement, the evidentiary hearing has yet to be concluded and therefore, this Court has yet to enter a ruling relating to the same.

3. As of this date, a formal written Agreement has yet to be finalized but it is anticipated that the same will be finalized within a few days. An initial term sheet of the settlement terms, however, was provided to the beneficiaries of the Adoria S. Frei Trust on or about March 30, 2010 and a revised term sheet was provided to them on April 12, 2010. Upon formalizing the Agreement, this petition will be supplemented and a copy of the Agreement will be delivered to the Probate Commissioner.

4. Pursuant to the terms of Agreement, Emil Frei, III shall waive any further interest in the Adoria S. Frei Trust, including any right to receive an accounting of such trust and shall no longer be considered a beneficiary or an interested party thereunder. As a result, the Petition for an Accounting filed on behalf of Emil Frei, III shall be vacated. The Trustee, however, shall provide an accounting to the remaining trust beneficiaries no later than May 31, 2010.

5. The Trustee believes that it is in the best interest of the Trust to enter into a compromise with regard to the subject matter of the Agreement upon the terms and conditions set forth therein.

6. Therefore, Petitioner requests that this Court approve the Agreement, upon the terms and conditions stated therein, and authorize and direct Petitioner to perform the obligations of the Trust thereunder.

DATED this 16th day of April, 2010.

SOLOMON DWIGGINS FREER & MORSE, LTD.

By:

Dana A. Dwiggins, Esq.
Cheyenne West Professional Centre
9060 W. Cheyenne Avenue
Las Vegas, Nevada 89129

Attorney for STEPHEN BROCK, Trustee of the Adoria S. Frei Trust - 1999

EXHIBIT “C”

EXHIBIT “C”

EXHIBIT “C”

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Attorneys for Premier Trust, Inc.

DISTRICT COURT
CLARK COUNTY, NEVADA

In the Matter of)
FREI IRREVOCABLE TRUST dated) Case No.: P-09-065257-T
October 29, 1996) Dept. No.: 26
)
)

**AFFIDAVIT OF MARK DRESCHLER IN SUPPORT OF PREMIER TRUST'S
SUPPLEMENT TO OPPOSITION TO PETITION TO CONSTRUE TERMS OF TRUST,
TO COMPEL COMPLIANCE WITH TERMS OF TRUST, TO CONFIRM REMOVAL
OF TRUSTEE, TO COMPEL REDRESS OF BREACH OF FIDUCIARY DUTIES, AND
TO RELEASE JURISDICTION OF THE TRUST**

STATE OF NEVADA)
) ss:
COUNTY OF CLARK)

Mark Dreschler, being duly sworn, testifies as follows:

1. I am the President and CEO of Premier Trust, Inc. ("**Premier Trust**").
2. Premier Trust is the current Co-Trustee of the Frei Irrevocable Trust, which was established by Dr. Emil Frei, III and Mrs. Adoria B. Frei on October 29, 1996 (the "**Trust**").
3. Premier Trust accepted the position of Co-Trustee of the Trust on or about September 14, 2009.
4. From the time Premier Trust accepted the position as a Co-Trustee, Premier Trust has operated with the understanding that the Trust had been modified by the plain terms of the March 31, 2010 settlement agreement between Stephen Brock ("**Stephen**") and Dr. Emil Frei, III in the Eighth Judicial District Court of Nevada Case No. A-09-588750 before Judge Kenneth C. Cory (the

1 "*March 2010 Settlement*") and the June 18, 2010 Order Approving Settlement Agreement entered
2 in the Eighth Judicial District Court of Nevada Case No. P-09-065235-E before Commissioner
3 Wesley Yamashita (the "*June 2010 Order*"). Based upon this understanding, Premier Trust has
4 sent several notifications and communications to the beneficiaries of the Trust discussing
5 distributions that had been or would be made by the Trust in accordance with the March 2010
6 Settlement and June 2010 Order. Based upon this understanding, Premier Trust has also made three
7 \$100,000.00 payments to the Emil Frei, III Trust, (each \$100,000.00 payment is referred to hereafter
8 as a "**Payment**" and collectively as the "**Payments**"), for a total amount paid to date of
9 \$300,000.00. Despite Premier Trust sending multiple notices to Stephen and all of the other
10 beneficiaries regarding the Payments, Premier Trust never received a single objection from Stephen
11 or any beneficiary to any of the proposed or actually completed Payments.

12 5. The first Payment was made on or about October 9, 2013, the second Payment was
13 made on or about November 4, 2013, and the third Payment was made on or about January 10,
14 2014.

15 6. On August 6, 2013, prior to making any of the Payments, Premier Trust sent written
16 notice by email to all ten of the Trust beneficiaries, including Stephen, regarding several issues
17 related to the Trust administration. That email included an attached letter, written and signed by me,
18 that stated:

19
20 Please be advised, we will not be distributing any funds to Stephen due to the
21 amounts owed from the Settlement Agreement and we are providing our
22 calculations on what is owed. Again, we will request the personal representatives
23 to agree upon these obligations and will then distribute those funds to the probate
24 estate in satisfaction of that Agreement.

25 A true and correct copy of the August 6, 2013 email and letter is attached to Premier Trust's
26 Supplement to Opposition to Petition to Construe Terms of Trust, To Compel Compliance With
27 Terms of Trust, to Confirm Removal of Trustee, to Compel Redress of Breach of Fiduciary Duties,
28 and to Release Jurisdiction of the Trust (hereinafter the "*Supplement*") at Exhibit "D", pages 1-7.

1 7. The August 6, 2013 email informed all of the Trust beneficiaries Premier Trust
2 would be distributing funds to Dr. Frei's trust in satisfaction of Stephen's obligations under the
3 Settlement Agreement. I received no objection or response to this email. The August 6, 2013 email
4 also included a payment schedule showing the monies Stephen owed to the Emil Frei estate under
5 the March 2010 Settlement and June 2010 Order and a spreadsheet explaining the proposed division
6 of Trust assets between the ten Trust beneficiaries. I likewise received no objection or response to
7 the proposed division of Trust assets, with Stephen's share going to pay the March 2010 Settlement.

8 8. The August 6, 2013 email was sent by Heather St. John, an employee of Premier
9 Trust, at my specific request and direction, to all of the beneficiaries of the Trust.

10 9. In reliance upon the March 2010 Settlement Agreement, the June 2010 Order, and
11 the lack of any objection to the proposed distributions described in my August 6, 2013 letter, I
12 caused Premier Trust to make the first \$100,000.00 Payment to Dr. Frei's estate on October 9, 2013.

13 10. On October 24, 2013, a second email notice was sent by Premier Trust to all of the
14 Trust beneficiaries, including Stephen. The October 24th email included an attached letter to all the
15 Trust beneficiaries, written and signed by me on October 23, 2013, that specifically stated:

16
17 We have received confirmation from the Trustees of Dr. Frei's Trust as to the
18 balance owed by Steven from the Settlement agreement. This will be paid from
19 his allocation as we showed on the allocation chart you all agreed that we
included with our August letter.

20 A true and correct copy of the October 24, 2013 email and all of the attachments sent with that
21 email, including my October 23, 2013 letter, is attached to the Supplement at Exhibit "D", pages 8-
22 10.

23 11. The October 24, 2013 email was sent by Beth Marchiano, an employee of Premier
24 Trust, at my specific request and direction, to all of the beneficiaries of the Trust.

25 12. In reliance upon the March 2010 Settlement Agreement, the June 2010 Order, and
26 the lack of any objection to the proposed distributions described in my August 6, 2013 letter and my
27 October 23, 2013 letter, I caused Premier Trust to make the second \$100,000.00 Payment to Dr.
28 Frei's estate on November 4, 2013.

1 13. At no time did Premier Trust receive any notice or email back stating that Premier
2 Trust's August 6, 2013 or October 24, 2013 email communications to Stephen were not received by
3 him or rejected in any way.

4 14. In reliance upon the March 2010 Settlement Agreement, the June 2010 Order, and
5 the lack of any objection to the proposed distributions described in my August 6, 2013 letter and my
6 October 23, 2013 letter, I caused Premier Trust to make the third \$100,000.00 Payment to Dr. Frei's
7 estate on January 10, 2014.

8 15. Although Premier Trust send multiple notices to all the beneficiaries, including
9 Steven, indicating that Premier Trust would be making distributions to the Dr. Frei estate in
10 accordance with the Settlement Agreement, at no time prior to these Payments being made did
11 Premier Trust receive any objection from any beneficiary to these Payments. The only objection
12 ever raised came through Steven's Petition, which was filed long after the Payments had been made.

13 16. All of the Trust beneficiaries have previously requested that they receive a
14 distribution of all of their beneficial interest in the Trust. Pursuant to the explicit powers given to
15 Premier Trust under Article Twelve, Section 3, Part f (page 12-4 of the Trust Agreement), Premier
16 Trust determined that it was necessary and proper to set aside from trust income reasonable reserves
17 for such items as taxes, assessments and other expenses from the interests of the Trust beneficiaries.

18 17. All of the Trust beneficiaries, except Stephen, currently have \$1,725.49 held in the
19 Trust as an income interest.

20 ///

21 ///

22 ///

23 ///

24 ///

25 ///

26 ///

27 ///

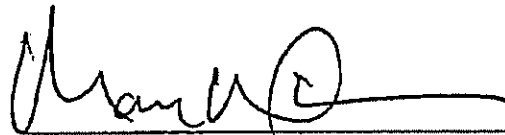
28 ///

GERRARD, COX & LARSEN
2450 St. Rose Parkway, Suite 200
Henderson, NV 89074
O:(702)796-4000 F:(702)796-47848

18. Premier Trust has only received a written request from Stephen seeking to remove Premier Trust as Trustee of the Trust under Article Ten, Section 2 of the Trust Agreement.

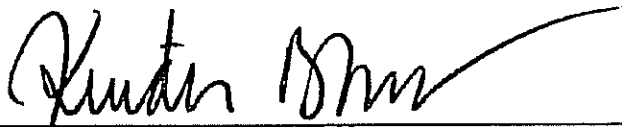
Further your Affiant sayeth naught.

PREMIER TRUST, INC.



MARK DRESCHLER, President & CEO

SUBSCRIBED and SWORN to
before me, a NOTARY PUBLIC
this 9th day of February,
2015.



NOTARY PUBLIC

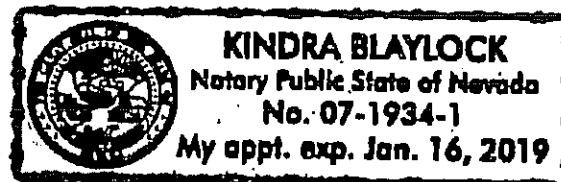


EXHIBIT “D”

EXHIBIT “D”

EXHIBIT “D”

AUGUST 6, 2013 EMAIL CORRESPONDENCE AND ATTACHMENTS

Richard Chatwin

From: Heather St. John <IMCEAEX-_O=FIRST+20ORGANIZATION_OU=EXCHANGE+20ADMINISTRATIVE+20GROUP+20+28FYDIBOHF23SPDLT+29_CN=RECIPIENTS_CN=HSTJOHN@namprd02.prod.outlook.com>
Sent: Tuesday, August 06, 2013 11:55 AM
To: Brock, Francis; Brock, John Claver; Brock, Peter; Brock, Stephen; Brock, Vincent; Frei, Alice; Frei, Elizabeth Mary; Frei, Emil; Frei, Nancy; Frei-Howe, Judith
Cc: Mark Dreschler; Mark Dreschler; Jodi McKenzie
Subject: RE: Emil Frei, III and Adoria B. Frei Joint Irrevocable Trust
Attachments: image001.jpg; Ltr to Beneficiaries 08.06.13.pdf; Beneficiary Split of Trust.pdf; Stephen Brock Loans.pdf

Dear Beneficiaries,

Attached you will find a letter from Mr. Dreschler explaining the process of distributing the trust outright, a spreadsheet showing how the trust funds are to be divided and a spreadsheet of what we have calculated to be owed by Stephen Brock.

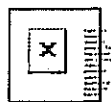
Please read/review the attached. Once you done so, please sign, date and return the "Beneficiary Split of Trust" form and instruct as to how you wish to receive your distribution. If you wish for us to mail you a check, please verify the address you want it sent to. If you wish for us to send to your bank, we need following information:

Bank Name
ABA/Routing Number
Account Number
Name on Account (Account Title)

All of this can be done via e-mail, fax or regular mail.

Sincerely,

Heather St. John
Trust Assistant



4465 South Jones Boulevard
Las Vegas, Nevada 89103
Phone (702) 507-0750 - Fax (702) 507-0755
hstjohn@premiertrust.com

Privacy/Confidentiality Notice: This e-mail communication may contain private, confidential, or legally privileged information intended for the sole use of the designated and/or duly authorized recipient(s). If you are not the intended recipient or have received this communication in error, please notify the sender immediately by e-mail or by telephone at 1-702-507-0750, and delete all copies of this e-mail, including all attachments, without reading them or saving them to your computer or any attached storage device.

Click 'Edit HTML' to insert an HTML disclaimer



PREMIER TRUST

"It's a Matter of Trust"™

Mark Dreschler
President

August 6, 2013

Dear Beneficiaries of the Emil Frei III and Adoria B. Frei Joint Trust

We are advising you as to the status of the administration of this irrevocable trust. As we have told several of you, this is not a simple insurance death benefit claim situation. As Trustees we have to follow and abide by the terms of the Trust document.

The Trust's only asset was a life insurance policy and we have received the net death benefit of the insurance policy. However, there are several administrative issues we must follow before we can terminate this Trust and make the distributions to each of you.

In typical estate and trust situations, an irrevocable trust that is used to hold life insurance as an asset is part of an overall plan created for the trust creators. There is language in the trust (Article Five, Section 1) that allows the Trust to work with the probate estate to provide assistance if there may be a need by the estate to borrow or sell its illiquid assets.

Also, should any of the irrevocable trust (Article Five, Section 2) be included in the Decedent's federal estate tax calculation, the trust would be required to pay a prorated share of any estate taxes attributable to those assets. The intent of these irrevocable life insurance trusts is to keep those insurance proceeds out of the decedent's estate for estate tax purposes. However, if an estate tax return is prepared and filed, it is a requirement to report this irrevocable life insurance trust on the return.

As all estate tax returns are audited, many times the IRS will audit the irrevocable life insurance trust. The IRS reviews to make sure the trust was administered properly, especially the process regarding the Right of Withdrawal (Crummey) letters. If they feel the process was not followed they may disallow or discredit the irrevocable life insurance trust thereby including all or portions of the death benefit in the estate of the decedent. Then it becomes a negotiating game with the IRS. Does this happen? Rarely, but as you can imagine, these irrevocable life insurance trusts are not well liked by the IRS and if they can find flaws in the administrative process they will pursue to have assets added to decedent's estate. Since we were not involved in this Trust's administration, it is difficult for us to determine if the process was followed.

However, if the probate estate does not file an estate tax return, the odds of an audit diminish greatly. As the probate estate has yet to be opened, we will have to wait for the personal representatives to be appointed so they can confirm in their fiduciary capacities on these two issues.

In the May 1, 2009 Court Order the trust dispositive provisions were reformed, and stated that each beneficiary is required to advise the trustees in writing of their intent to take their 1/10th share outright. We have prepared and enclosed a distribution allocation chart showing the net death benefits received (after paying off the loan) and the amounts to be repaid to each individual beneficiary for their contributions to the annual premium financing. This chart includes a place for you to sign authorizing the outright distribution of your trust share. Please sign and return to our office.

At this time there has been a request for a partial distribution of \$100,000 to each beneficiary until we can resolve the above stated issues. Currently the death benefit proceeds are held at Transamerica in one of their money market vehicles that pays a high rate of interest. We have no problem making this distribution and can have these funds distributed once we have received them from Transamerica.

Please be advised, we will not be distributing any funds to Stephen due to the amounts owed from the Settlement Agreement and we are providing our calculations on what is owed. Again, we will request the personal representatives to agree upon these obligations and will then distribute those funds to the probate estate in satisfaction of that Agreement.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael W. Brock", with a long horizontal line extending to the right.

Copy to: Peter Brock, Co-Trustee

Emil Frei, III and Adoria B. Frei Joint Irrevocable Trust

Death Benefit Payout:	\$7,541,195.65	6/12/2013
Money Market Fund Balance:	\$4,851.78	6/24/2013
Reimbursement from First Ins Funding:	\$51.08	6/24/2013
Total:	\$7,546,098.51	

Fees:

Premier Trust Annual Fee for 2013:	\$750.00
Premier Trust Extraordinary Fees:	\$6,750.00
Peter Brock Co-TTEE Fees:	\$0.00
Total Fees:	\$7,500.00

Funds Available:	\$7,546,098.51
Minus Fees:	\$7,500.00
Return of Premium Payments:	\$33,739.87
Total Net:	\$7,504,858.64

	Elizabeth Mary Frei	Emil Frei, IV	Alice C. Frei	Nancy Frei	Judith Frei-Howe
Premium Payments	\$6,717.97	\$6,717.98	\$6,717.98	\$6,867.97	\$6,717.97
1/10 of Net Total	\$750,485.86	\$750,485.86	\$750,485.86	\$750,485.86	\$750,485.86
Total To Beneficiary	\$757,203.83	\$757,203.84	\$757,203.84	\$757,353.83	\$757,203.83

	Francis Christopher Brock	Peter Augustine Brock	Vincent dePaul Brock	John Claver Brock	Stephen Martin Brock
Premium Payments	\$6,972.97	\$6,972.98	\$6,972.97	\$6,972.97	\$7,042.62
1/10 of Net Total	\$750,485.86	\$750,485.86	\$750,485.86	\$750,485.86	\$750,485.86
Total To Beneficiary	\$757,458.83	\$757,458.84	\$757,458.83	\$757,458.83	\$757,528.48

* Final dollar amount could change based on processing of the Estate

I hereby provide my written request per court order to take my 1/10 interest outright and free of trust.

Signature: _____

Date: _____

Print: _____

Funds owed by Stephen Brock per court order dtd 06.04.2010

Principal Balance: \$415,000.00

Pmt Due Date	Outstanding Principal Balance	Accrued Interest	Accrued Penalty	Principal Payment	Interest Payment	Ending Loan Balance
06.01.2010	\$415,000.00	\$1,272.67	\$0.00	\$5,000.00	\$0.00	\$411,272.67
07.01.2010	\$411,272.67	\$1,261.24	\$0.00	\$0.00	\$0.00	\$412,533.90
08.01.2010	\$412,533.90	\$1,265.10	\$1,718.89	\$0.00	\$0.00	\$415,517.90
09.01.2010	\$415,517.90	\$1,274.25	\$1,731.32	\$0.00	\$0.00	\$418,523.48
10.01.2010	\$418,523.48	\$1,283.47	\$1,743.85	\$0.00	\$0.00	\$421,550.80
11.01.2010	\$421,550.80	\$1,292.76	\$1,756.46	\$0.00	\$0.00	\$424,600.01
12.01.2010	\$424,600.01	\$1,302.11	\$1,769.17	\$0.00	\$0.00	\$427,671.29
01.01.2011	\$427,671.29	\$1,311.53	\$1,781.96	\$0.00	\$0.00	\$430,764.78
02.01.2011	\$430,764.78	\$1,321.01	\$1,794.85	\$0.00	\$0.00	\$433,880.64
03.01.2011	\$433,880.64	\$1,330.57	\$1,807.84	\$0.00	\$0.00	\$437,019.05
04.01.2011	\$437,019.05	\$1,340.19	\$1,820.91	\$0.00	\$0.00	\$440,180.15
05.01.2011	\$440,180.15	\$1,349.89	\$1,834.08	\$0.00	\$0.00	\$443,364.12
06.01.2011	\$443,364.12	\$1,359.65	\$1,847.35	\$0.00	\$0.00	\$446,571.12
07.01.2011	\$446,571.12	\$1,369.48	\$1,860.71	\$0.00	\$0.00	\$449,801.32
08.01.2011	\$449,801.32	\$1,379.39	\$1,874.17	\$0.00	\$0.00	\$453,054.88
09.01.2011	\$453,054.88	\$1,389.37	\$1,887.73	\$0.00	\$0.00	\$456,331.98
10.01.2011	\$456,331.98	\$1,399.42	\$1,901.38	\$0.00	\$0.00	\$459,632.78
11.01.2011	\$459,632.78	\$1,409.54	\$1,915.14	\$0.00	\$0.00	\$462,957.46
12.01.2011	\$462,957.46	\$1,419.74	\$1,928.99	\$0.00	\$0.00	\$466,306.18
01.01.2012	\$466,306.18	\$1,430.01	\$1,942.94	\$0.00	\$0.00	\$469,679.13
02.01.2012	\$469,679.13	\$1,440.35	\$1,957.00	\$0.00	\$0.00	\$473,076.48
03.01.2012	\$473,076.48	\$1,450.77	\$1,971.15	\$0.00	\$0.00	\$476,498.40
04.01.2012	\$476,498.40	\$1,461.26	\$1,985.41	\$0.00	\$0.00	\$479,945.07
05.01.2012	\$479,945.07	\$1,471.83	\$1,999.77	\$0.00	\$0.00	\$483,416.67
06.01.2012	\$483,416.67	\$1,482.48	\$2,014.24	\$0.00	\$0.00	\$486,913.38
07.01.2012	\$486,913.38	\$1,493.20	\$2,028.81	\$0.00	\$0.00	\$490,435.39
08.01.2012	\$490,435.39	\$1,504.00	\$2,043.48	\$0.00	\$0.00	\$493,982.87
09.01.2012	\$493,982.87	\$1,514.88	\$2,058.26	\$0.00	\$0.00	\$497,556.02
10.01.2012	\$497,556.02	\$1,525.84	\$2,073.15	\$0.00	\$0.00	\$501,155.00
11.01.2012	\$501,155.00	\$1,536.88	\$2,088.15	\$0.00	\$0.00	\$504,780.03
12.01.2012	\$504,780.03	\$1,547.99	\$2,103.25	\$0.00	\$0.00	\$508,431.27
01.01.2013	\$508,431.27	\$1,559.19	\$2,118.46	\$0.00	\$0.00	\$512,108.92
02.01.2013	\$512,108.92	\$1,570.47	\$2,133.79	\$0.00	\$0.00	\$515,813.18
03.01.2013	\$515,813.18	\$1,581.83	\$2,149.22	\$0.00	\$0.00	\$519,544.22
04.01.2013	\$519,544.22	\$1,593.27	\$2,164.77	\$0.00	\$0.00	\$523,302.26
05.01.2013	\$523,302.26	\$1,604.79	\$2,180.43	\$0.00	\$0.00	\$527,087.48
06.01.2013	\$527,087.48	\$1,616.40	\$2,196.20	\$0.00	\$0.00	\$530,900.08
07.01.2013	\$530,900.08	\$1,628.09	\$2,212.08	\$0.00	\$0.00	\$534,740.26
08.01.2013	\$534,740.26	\$1,639.87	\$2,228.08	\$0.00	\$0.00	\$538,608.21

Accrued Interest Rate based on 2010 AFR for Midterm Loans 2.68% +1% = 3.68% Late Penalty Rate 5%

Loan Period June 1st, 2010 to May 31, 2013

Terms per court order dated June 4th, 2010

Funds owed by Stephen Brock per court order dtd 06.04.2010

Principal Balance: \$100,000

	Outstanding			Principal	Interest	Ending Loan
Pmt Due Date	Principal Balance	Accrued Interest	Accrued Penalty	Payment	Payment	Balance
06.01.2013	\$100,000.00	\$500.00	\$0.00	\$0.00	\$0.00	\$100,500.00
07.01.2013	\$100,500.00	\$502.50	\$418.75	\$0.00	\$0.00	\$101,421.25
08.01.2013	\$101,421.25	\$507.11	\$422.59	\$0.00	\$0.00	\$102,350.94

Terms outlined in Court Order: \$100,000 to be paid in \$5000/mo payments starting June 1st, 2013 - May 31st, 2014
Accrued Interest Rate 6% Penalty Rate 5%

Funds owed by Stephen Brock per court order dtd 06.04.2010

Principal Balance: \$100,000

	Outstanding			Principal	Interest	Ending Loan
Pmt Due Date	Principal Balance	Accrued Interest	Accrued Penalty	Payment	Payment	Balance
06.01.2014	\$100,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$100,000.00

Terms outlined in Court Order: \$100,000 to be paid in \$5000/mo payments starting June 1st, 2014 - May 31st, 2015

Accrued Interest Rate 6% Penalty Rate 5%

OCTOBER 24, 2013

EMAIL

CORRESPONDENCE

AND ATTACHMENTS

Richard Chatwin

From: Beth Marchiano
Sent: Thursday, October 24, 2013 8:28 AM
Subject: Partial Distribution
Attachments: Oct 23 2013 status letter to frei beneficiaries.docx.pdf

Attached is Mark Dreschler's October 23, 2013 letter.
Please review.
The partial distribution will be sent out today.
Those receiving checks will also receive a copy of this letter.

Beth Marchiano
Trust Assistant



4465 South Jones Boulevard
Las Vegas, Nevada 89103
Phone (702)-507-0750 - Fax (702)-507-0755
bmarchiano@premiertrust.com



PREMIER TRUST

"It's a Matter of Trust"™

Mark Dreschler
President

October 23, 2013

Dear Beneficiaries of the Emil Frei III and Adoria B. Frei Joint Trust

We want to provide you the status of the administration of this irrevocable trust. As we advised you with our August 6th letter, this is not a simple insurance death benefit claim situation. As Trustees we have to follow and abide by the terms of the Trust document and prudent trust administration.

In typical estate and trust situations, an irrevocable trust that is used to hold life insurance as an asset is part of an overall plan created for the trust creators. There is language in the trust (Article Five, Section 1) that allows the Trust to work with the probate estate to provide assistance if there may be a need by the estate to borrow or sell its illiquid assets.

Also, should any of the irrevocable trust (Article Five, Section 2) be included in the Decedent's federal estate tax calculation, the trust would be required to pay a prorated share of any estate taxes attributable to those assets. The intent of these irrevocable life insurance trusts is to keep those insurance proceeds out of the decedent's estate for estate tax purposes. However, if an estate tax return is prepared and filed, it is a requirement to report this irrevocable life insurance trust on the return.

As all estate tax returns are audited, many times the IRS will audit the irrevocable life insurance trust. The IRS reviews to make sure the trust was administered properly, especially the process regarding the Right of Withdrawal (Crummey) letters. If they feel the process was not followed they may disallow or discredit the irrevocable life insurance trust thereby including all or portions of the death benefit in the estate of the decedent. Then it becomes a negotiating game with the IRS. Does this happen? Rarely, but as you can imagine, these irrevocable life insurance trusts are not well liked by the IRS and if they can find flaws in the administrative process they will pursue to have assets added to decedent's estate. Since we were not involved in the prior Trust's administration, it is difficult for us to determine if the process was followed.

Page 2

However, if the probate estate does not file an estate tax return, the odds of an audit diminish greatly. We will have to wait for the personal representatives of the probate estate to be appointed so they can confirm in their fiduciary capacities how they will handle these two issues.

We have been in communication with the Personal Representatives of the probate estate and to date the administration is not opened. We will need to have them confirm as fiduciaries the lack of need for liquid funds and a Federal Estate Tax Return will not be filed.

We have received confirmation from the Trustees of Dr. Frei 's Trust as to the balance owed by Steven from the Settlement agreement. This will be paid from his allocation as we showed on the allocation chart you all agreed that we included with our August letter.

As the probate administration may take longer to begin, we have been requested due to this delay to make another partial distribution of \$100,000 to each beneficiary until we can resolve the above stated issues.

Therefore, the Trustees in their discretionary authority will make this distribution today and use the same instructions we have on file for each of you.

Sincerely,

A handwritten signature in black ink, appearing to be "Mark" followed by a stylized flourish.

Copy to: Peter Brock, Co-Trustee

EXHIBIT “E”

EXHIBIT “E”

EXHIBIT “E”

AFFT
DOUGLAS D. GERRARD, ESQ.
Nevada Bar No. 4613
dgerrard@gerrard-cox.com
RICHARD D. CHATWIN, ESQ.
Nevada Bar No. 10870
rchatwin@gerrard-cox.com
GERRARD COX LARSEN
2450 St. Rose Parkway, Suite 200
Henderson, NV 89074
O: (702) 796-4000
F: (702) 796-4848
Attorneys for Premier Trust, Inc.

DISTRICT COURT
CLARK COUNTY, NEVADA

In the Matter of)
Case No.: P-09-065257-T
Dept. No.: 26
FREI IRREVOCABLE TRUST dated)
October 29, 1996)
)
)

**AFFIDAVIT OF HEATHER ST. JOHN IN SUPPORT OF PREMIER TRUST'S
SUPPLEMENT TO OPPOSITION TO PETITION TO CONSTRUE TERMS OF TRUST,
TO COMPEL COMPLIANCE WITH TERMS OF TRUST, TO CONFIRM REMOVAL
OF TRUSTEE, TO COMPEL REDRESS OF BREACH OF FIDUCIARY DUTIES, AND
TO RELEASE JURISDICTION OF THE TRUST**

STATE OF NEVADA)
) ss:
COUNTY OF CLARK)

Heather St. John, being duly sworn, testifies as follows:

1. I am employed as a Trust Assistant at Premier Trust, Inc. ("**Premier Trust**").
2. Premier Trust is the current Co-Trustee of the Frei Irrevocable Trust, which was established by Dr. Emil Frei, III and Mrs. Adoria B. Frei on October 29, 1996 (the "**Trust**").
3. I work under the direction of Mark Dreschler, the President and CEO of Premier Trust.
4. On August 6, 2013 Mark Dreschler instructed me to send an email to all ten of the beneficiaries of the Trust, including Stephen Brock, and attach an August 6, 2013 letter of instruction written and signed by Mark Dreschler.

GERRARD, COX & LARSEN
2450 St. Rose Parkway, Suite 200
Henderson, NV 89074
O:(702)796-4000 F:(702)796-47848

5. In addition to a letter signed by Mark Dreschler, the August 6, 2013 email included an attached spreadsheet explaining the proposed division of Trust assets between the ten Trust beneficiaries and a payment schedule showing the monies Stephen Brock ("Stephen") owed to the Emil Frei Trust under the plain terms of the March 31, 2010 settlement agreement between Stephen and Dr. Emil Frei, III in the Eighth Judicial District Court of Nevada case no. A-09-588750 before Judge Kenneth C. Cory and the June 18, 2010 Order Approving Settlement Agreement entered in the Eighth Judicial District Court of Nevada case no. P-09-065235-E before Commissioner Wesley Yamashita.

6. I never received any kind of notice or rejection indicating that Stephen did not receive the August 6, 2013 email sent to the Trust beneficiaries.

7. The August 6, 2013 email, and all of the attachments included with that email which were sent to all of the Trust beneficiaries, are included with Premier Trust's Supplement to Opposition to Petition to Construe Terms of Trust, To Compel Compliance With Terms of Trust, to Confirm Removal of Trustee, to Compel Redress of Breach of Fiduciary Duties, and to Release Jurisdiction of the Trust at Exhibit "D", pages 1-7.

Further your Affiant sayeth naught.

HEATHER ST. JOHN, Trust Assistant
with Premier Trust, Inc.

SUBSCRIBED and SWORN to
before me, a NOTARY PUBLIC
this 9th day of February,
2015.

NOTARY PUBLIC

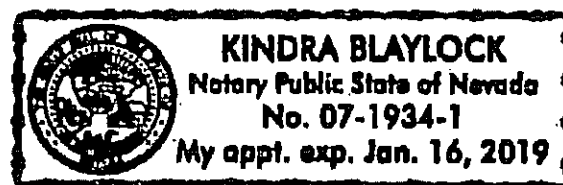


EXHIBIT “F”

EXHIBIT “F”

EXHIBIT “F”

AFFT
DOUGLAS D. GERRARD, ESQ.
Nevada Bar No. 4613
dgerrard@gerrard-cox.com
RICHARD D. CHATWIN, ESQ.
Nevada Bar No. 10870
rchatwin@gerrard-cox.com
GERRARD COX LARSEN
2450 St. Rose Parkway, Suite 200
Henderson, NV 89074
O: (702) 796-4000
F: (702) 796-4848
Attorneys for Premier Trust, Inc.

DISTRICT COURT
CLARK COUNTY, NEVADA

In the Matter of)
FREI IRREVOCABLE TRUST dated)
October 29, 1996)
Case No.: P-09-065257-T
Dept. No.: 26

**AFFIDAVIT OF BETH MARCHIANO IN SUPPORT OF PREMIER TRUST'S
SUPPLEMENT TO OPPOSITION TO PETITION TO CONSTRUE TERMS OF TRUST,
TO COMPEL COMPLIANCE WITH TERMS OF TRUST, TO CONFIRM REMOVAL
OF TRUSTEE, TO COMPEL REDRESS OF BREACH OF FIDUCIARY DUTIES, AND
TO RELEASE JURISDICTION OF THE TRUST**

STATE OF NEVADA)
COUNTY OF CLARK) ss:

Beth Marchiano, being duly sworn, testifies as follows:

1. I am employed as a Trust Assistant at Premier Trust, Inc. ("**Premier Trust**").
2. Premier Trust is the current Co-Trustee of the Frei Irrevocable Trust, which was established by Dr. Emil Frei, III and Mrs. Adoria B. Frei on October 29, 1996 (the "**Trust**").
3. I work under the direction of Mark Dreschler, the President and CEO of Premier Trust.
4. On October 24, 2013 Mark Dreschler instructed me to send an email to all ten of the Trust beneficiaries, including Stephen Brock, and attach a letter of instruction dated October 23, 2013 which was written and signed by Mark Dreschler.

///

GERRARD, COX & LARSEN
2450 St. Rose Parkway, Suite 200
Henderson, NV 89074
O:(702)796-4000 F:(702)796-47848


1 5. The email addresses were placed into the "blind courtesy copy" portion of my email.

2 6. Stephen Brock's email address was one of those included in the "blind courtesy
3 copy" portion of my email.

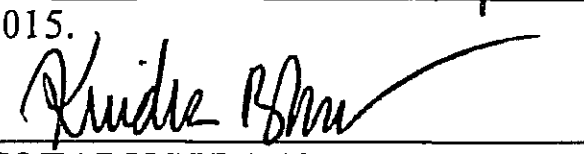
4 7. The October 24, 2013 email and the attached October 23, 2013 letter from Mark
5 Dreschler are attached to Premier Trust's Supplement to Opposition to Petition to Construe Terms
6 of Trust, To Compel Compliance With Terms of Trust, to Confirm Removal of Trustee, to Compel
7 Redress of Breach of Fiduciary Duties, and to Release Jurisdiction of the Trust at Exhibit "D",
8 pages 8-10.

9 8. I never received any kind of notice or rejection indicating that Stephen did not
10 receive the October 24, 2013 email sent to the Trust beneficiaries.

11 Further your Affiant sayeth naught.

12 
13 BETH MARCHIANO, Trust Assistant
14 with Premier Trust, Inc.

15 SUBSCRIBED and SWORN to
16 before me, a NOTARY PUBLIC
17 this 9th day of February,
18 2015.

19 
20 NOTARY PUBLIC

