

- i. the beneficiary is convicted of a felony in connection with the death of the deceased beneficiary; or
- ii. the beneficiary is found liable in a civil wrongful death action in connection with the death of the other beneficiary

The forfeiture of benefits and rights shall include the forfeiture of the right to exercise any power of appointment or any right to serve in any fiduciary or representative capacity, including trustee, executor, personal representative, or agent. In addition, the beneficiary that causes the death of the other beneficiary as well as all of the beneficiary's descendants shall be deemed to have predeceased the deceased beneficiary. The trust interest of the deceased beneficiary shall be distributed to those persons or trusts that would have succeeded to the interest had the beneficiary that caused the death of the other beneficiary predeceased the deceased beneficiary.

My Trustee shall have the broadest possible discretion and authority to investigate the death of any beneficiary if my Trustee has reason to suspect that another beneficiary wrongfully caused the death of the deceased beneficiary. My Trustee shall investigate the death to determine whether the other beneficiary caused the death of the deceased beneficiary. I expressly authorize my Trustee to expend trust funds for legal, forensic, and investigative experts to assist my Trustee in pursuing such an investigation. My Trustee shall provide the information gained from any investigation to those persons that would have standing to bring a criminal action or a civil wrongful death action against the beneficiary that my Trustee believes wrongfully caused the death of the other beneficiary.

If, following a diligent inquiry, my Trustee determines that there is a substantial likelihood that a beneficiary has wrongfully caused the death of a deceased beneficiary of this trust, then my Trustee may, in its sole and absolute discretion, withhold trust distributions to that beneficiary until any civil or criminal action relating to the death of the beneficiary has been finally adjudicated. If a court of competent jurisdiction determines that the beneficiary is civilly or criminally liable, my Trustee may also bring any action to recover from the beneficiary any distributions made to the beneficiary following the date of death of the deceased beneficiary.

If no civil or criminal action is brought after a five year period following the date of the death of the deceased beneficiary, or if such action is brought and the defendant beneficiary is acquitted of both civil and criminal liability, my Trustee shall reinstate the defendant beneficiary as a beneficiary of this trust and pay over to the defendant beneficiary any specific benefits that were expressly withheld during the pendency of the civil or criminal proceeding or during the five year period if no civil or criminal action is brought.

I understand that the nature of the discretion and authority given to my Trustee by this paragraph may subject my Trustee to litigation by a beneficiary whose rights are affected under this paragraph. If any legal or equitable action is brought against my Trustee in connection with my Trustee's action taken under this paragraph, I authorize my Trustee to expend such funds from the separate trust share of the deceased beneficiary as my Trustee determines are necessary to provide for my Trustee's defense, including costs and attorneys fees. My Trustee shall be indemnified and held harmless by such separate trust share from any loss, claim or damage in connection with any claim arising out of this provision which my Trustee shall incur as a result of any action taken in good faith by my Trustee, regardless of the ultimate outcome of the matter.

i. Use of Assets

Rather than making distributions to a beneficiary which the beneficiary may use to purchase assets in his or her own name, I encourage, but do not require, my Trustee to acquire trust assets for the use of a beneficiary, or to otherwise make trust assets available for use by the beneficiary, in situations in which the ownership by the trust would be beneficial to the beneficiary's overall tax objectives and would not, in the opinion of the Trustee, expose the trust to unreasonable and unnecessary risks.

j. Prohibitions Against Certain Distributions

Notwithstanding any other provision of this trust agreement, in no event shall the aggregate distributions to all beneficiaries made pursuant to the provisions of this Article Eight exceed eight (8%) percent of the value of the trust in any calendar year. For purposes of valuing the trust for determining the amount that can be

distributed under this provision, the value shall be the value of the trust on the 31st day of December of the year prior to the year in which the subject distribution is made.

Section 4. Distribution of Trust Shares for My Beneficiaries

The share of each Primary Beneficiary who survives me shall be distributed as follows:

a. Distribution of Trust Share for CAROLINE D. DAVIS

The trust share for CAROLINE D. DAVIS shall be held in trust and administered and distributed as follows:

1. Distributions of Net Income

My Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, CAROLINE D. DAVIS and such other beneficiaries to whom distributions are authorized in Section 3 of this Article as much of the net income from her trust share as my Trustee in its sole and absolute discretion shall determine.

2. Distributions of Principal

My Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, CAROLINE D. DAVIS and such other beneficiaries to whom distributions are authorized in Section 3 of this Article as much of the principal from her trust as my Trustee in its sole and absolute discretion shall determine.

3. Guidelines for Discretionary Distributions

To the extent that I have given my Trustee any discretionary authority over the distribution of income or principal to CAROLINE D. DAVIS, it is my desire that my Trustee be liberal in exercising such discretion and that

distributions be made in accordance with the general guidelines I have outlined in Section 3 of this Article.

4. Distribution on the Death of CAROLINE D. DAVIS

Upon the death of CAROLINE D. DAVIS, any property remaining in her trust share shall be divided and allocated to the then living descendants of CAROLINE D. DAVIS, per stirpes, to be held and administered in separate trust shares for each of such descendants upon the same terms and provisions set forth that govern the trust share for CAROLINE D. DAVIS during her lifetime.

If CAROLINE D. DAVIS has no then living descendants, any property in her trust share shall be distributed to my descendants, per stirpes. Each such share shall be added to any existing trust share held by my Trustee for that beneficiary. If no separate trust share then exists for that beneficiary, the trust share shall be held and administered in separate trust share for that beneficiary upon the same terms and provisions that govern the separate trust share for CAROLINE D. DAVIS during her lifetime.

If I have no descendants then living, my Trustee shall distribute the trust property as provided in Article Nine of this agreement.

5. Continuation of Trust Shares for Descendants

Upon the death of any beneficiary for whom a trust share shall have been established pursuant to subparagraph 4, any property in such beneficiary's trust share shall be divided and allocated to the beneficiary's then living descendants, per stirpes, to be held and administered in separate trust shares for each of the descendants of such beneficiary upon the same terms and provisions that govern the trust share for the deceased beneficiary during his or her lifetime.

Upon the death of the descendants of a beneficiary for whom a trust share shall have been established, and likewise upon the death of their descendants for whom a

trust share shall have been established, a separate trust share shall be established for the descendants of a deceased beneficiary, per stirpes, and held and administered pursuant to the provisions of this subparagraph 5 from generation to generation until the expiration of the Rule Against Perpetuities period described in Article Fourteen of this agreement. Upon the expiration of the Rule Against Perpetuities period, such shares shall be distributed as therein provided.

If any beneficiary of a trust share has no descendants living at his or her death, any property in the trust share of such beneficiary shall be divided and allocated to the then living descendants, per stirpes, of the marriage of the most immediate ancestor of such beneficiary that is my descendant and has descendants then living. Such property shall be held and administered in separate trust shares for each such beneficiary upon the same terms and provisions that governed the trust share for the deceased beneficiary during his or her lifetime.

If there are no then living descendants of the marriage of any ancestor of such beneficiary that is my descendant, then my Trustee shall distribute such trust property as provided in Article Nine of this agreement.

b. Distribution of Trust Share for CHRISTOPHER D. DAVIS

The trust share for CHRISTOPHER D. DAVIS shall be held in trust and administered and distributed as follows:

1. Distributions of Net Income

My Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, CHRISTOPHER D. DAVIS and such other beneficiaries to whom distributions are authorized in Section 3 of this Article as much of the net income from his trust share as my Trustee in its sole and absolute discretion shall determine.

2. Distributions of Principal

My Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of, CHRISTOPHER D. DAVIS and such other beneficiaries to whom distributions are authorized in Section 3 of this Article as much of the principal from his trust as my Trustee in its sole and absolute discretion shall determine.

3. Guidelines for Discretionary Distributions

To the extent that I have given my Trustee any discretionary authority over the distribution of income or principal to CHRISTOPHER D. DAVIS, it is my desire that my Trustee be liberal in exercising such discretion and that distributions be made in accordance with the general guidelines I have outlined in Section 3 of this Article.

4. Distribution on the Death of CHRISTOPHER D. DAVIS

Upon the death of CHRISTOPHER D. DAVIS, any property remaining in his trust share shall be divided and allocated to the then living descendants of CHRISTOPHER D. DAVIS, per stirpes, to be held and administered in separate trust shares for each of such descendants upon the same terms and provisions set forth that govern the trust share for CHRISTOPHER D. DAVIS during his lifetime.

If CHRISTOPHER D. DAVIS has no then living descendants, any property in his trust share shall be distributed to my then living descendants, per stirpes. Each such share shall be added to any existing trust share held by my Trustee for that beneficiary. If no separate trust share then exists for that beneficiary, the trust share shall be held and administered in separate trust share for that beneficiary upon the same terms and provisions that govern the separate trust share for CHRISTOPHER D. DAVIS during his lifetime.

If I have no descendants then living, my Trustee shall distribute the trust property as provided in Article Nine of this agreement.

5. Continuation of Trust Shares for Descendants

Upon the death of any beneficiary for whom a trust share shall have been established pursuant to subparagraph 4, any property in such beneficiary's trust share shall be divided and allocated to the beneficiary's then living descendants, per stirpes, to be held and administered in separate trust shares for each of the descendants of such beneficiary upon the same terms and provisions that govern the trust share for the deceased beneficiary during his or her lifetime.

Upon the death of the descendants of a beneficiary for whom a trust share shall have been established, and likewise upon the death of their descendants for whom a trust share shall have been established, a separate trust share shall be established for the descendants of a deceased beneficiary, per stirpes, and held and administered pursuant to the provisions of this subparagraph 5 from generation to generation until the expiration of the Rule Against Perpetuities period described in Article Fourteen of this agreement. Upon the expiration of the Rule Against Perpetuities period, such shares shall be distributed as therein provided.

If any beneficiary of a trust share has no descendants living at his or her death, any property in the trust share of such beneficiary shall be divided and allocated to the then living descendants, per stirpes, of the marriage of the most immediate ancestor of such beneficiary that is my descendant and has descendants then living. Such property shall be held and administered in separate trust shares for each such beneficiary upon the same terms and provisions that governed the trust share for the deceased beneficiary during his or her lifetime.

If there are no then living descendants of the marriage of any ancestor of such beneficiary that is my descendant,

then my Trustee shall distribute such trust property as provided in Article Nine of this agreement.

c. Distribution of Trust Share for Afterborn Beneficiaries

The trust share for any beneficiary of mine born after the creation of this trust agreement shall be held in trust and administered and distributed as follows:

1. Distributions of Net Income

My Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of such afterborn beneficiary and such other beneficiaries to whom distributions are authorized in Section 3 of this Article as much of the net income from his or her trust share as my Trustee in its sole and absolute discretion shall determine.

2. Distributions of Principal

My Trustee, in its sole and absolute discretion, shall apply to, or for the benefit of the afterborn beneficiary and such other beneficiaries to whom distributions are authorized in Section 3 of this Article as much of the principal from his or her trust as my Trustee in its sole and absolute discretion shall determine.

3. Guidelines for Discretionary Distributions

To the extent that I have given my Trustee any discretionary authority over the distribution of income or principal to the afterborn beneficiary, it is my desire that my Trustee be liberal in exercising such discretion and that distributions be made in accordance with the general guidelines I have outlined in Section 3 of this Article.

4. Distribution on the Death of the Afterborn Beneficiary

Upon the death of the afterborn beneficiary, any property remaining in his or her trust share shall be distributed to the then living descendants of the afterborn beneficiary, per stirpes, to be held and administered in separate trust shares for each of such descendants upon the same terms and provisions set forth that govern the trust share for the afterborn beneficiary during his or her lifetime.

If the afterborn beneficiary has no then living descendants, any property in his or her trust share shall be distributed to my then living descendants, per stirpes. Each such share shall be added to any existing trust share held by my Trustee for that beneficiary. If no separate trust share then exists for that beneficiary, the trust share shall be held and administered in separate trust share for that beneficiary upon the same terms and provisions that govern the separate trust share for the afterborn beneficiary during his or her lifetime.

If I have no descendants then living, my Trustee shall distribute the trust property as provided in Article Nine of this agreement.

5. Continuation of Trust Shares for Descendants

Upon the death of any beneficiary for whom a trust share shall have been established pursuant to subparagraph 4, any property in such beneficiary's trust share shall be divided and allocated to the beneficiary's then living descendants, per stirpes, to be held and administered in separate trust shares for each of the descendants of such beneficiary upon the same terms and provisions that govern the trust share for the deceased beneficiary during his or her lifetime.

Upon the death of the descendants of a beneficiary for whom a trust share shall have been established, and likewise upon the death of their descendants for whom a trust share shall have been established, a separate trust share shall be established for the descendants of a

deceased beneficiary, per stirpes, and held and administered pursuant to the provisions of this subparagraph 5 from generation to generation until the expiration of the Rule Against Perpetuities period described in Article Fourteen of this agreement. Upon the expiration of the Rule Against Perpetuities period, such shares shall be distributed as therein provided.

If any beneficiary of a trust share has no descendants living at his or her death, any property in the trust share of such beneficiary shall be divided and allocated to the then living descendants, per stirpes, of the marriage of the most immediate ancestor of such beneficiary that is my descendant and has descendants then living. Such property shall be held and administered in separate trust shares for each such beneficiary upon the same terms and provisions that governed the trust share for the deceased beneficiary during his or her lifetime.

If there are no then living descendants of the marriage of any ancestor of such beneficiary that is my descendant, then my Trustee shall distribute such trust property as provided in Article Nine of this agreement.

Section 5. Share of a Descendant of a Deceased Beneficiary

Each share set aside for a deceased beneficiary, if any, which has then living descendants shall be divided, administered, and distributed as follows:

a. Division into Separate Shares

Each share set aside for a deceased beneficiary who has then living descendants shall be divided into as many equal shares as shall be necessary to create one equal share for such deceased beneficiary's descendants, per stirpes.

b. Distribution of Shares for Descendants

Any share established for a then living descendant of a deceased beneficiary of mine pursuant to Paragraph a. of this Section 5 shall

be held and administered upon the same terms and provisions set forth in Section 4 (c) of this Article that governs the separate shares created for afterborn beneficiaries.

Article Nine

Ultimate Distribution Pattern

If at any time there is no person, corporation, or other entity entitled to receive all or any part of my trust property, then all of the trust property shall be distributed to the Ilus W. Davis Foundation.

If the Ilus W. Davis Foundation is not then in existence, my Trustee shall distribute such property to the Kansas City Community Foundation to be held and administered in a separate fund in the name of Ilus and Beatrice Davis. This fund shall be used to carry out the charitable purposes which are as similar as possible to the mission and purpose of the Ilus W. Davis Foundation.

Article Ten
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 to be made by a provision of this agreement to any beneficiary who is disabled or incapacitated, such distribution may be made by my 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, injury or any other cause as determined pursuant to the terms of this Agreement.

Before making any distributions to beneficiaries under this Article, it is my desire that my 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.

My 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

My 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 my 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 agent under a valid power of attorney.

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

Section 3. Special Instructions for Beneficiaries Disabled Due to Addictive Situations

Prior to making any distribution authorized under this Agreement, or as a condition for further distributions, my Trustee may require that any beneficiary that has been determined to be disabled as provided in this Section due to a drug, alcohol, gambling, chemical or other dependency disorder, participate in or complete a rehabilitation program aimed at combating the dependency problem.

If my Trustee suspects that a beneficiary has a dependency problem, my Trustee shall advise my Protector, and together they shall name a panel of three individuals who have expertise in the suspected dependency. If the three-member panel selected advise the Trustee that the beneficiary is disabled by reason of a dependency problem, or if the beneficiary refuses to cooperate with the three-member panel in the process of making the determination, my Trustee may consider the beneficiary to be disabled for purposes of this provision.

If a beneficiary is disabled by reason of drug, alcohol, gambling, chemical or other dependency disorder, my Trustee may condition further distributions, or the amount of distributions, upon participation in, or satisfactory completion of, a rehabilitation program for the problem involved, and/or upon appropriate medical, chemical or psychological tests to establish that the problem has been controlled and remains under control.

My Trustee, in its sole and absolute discretion, may determine the nature and extent of the rehabilitative program, including follow up requirements. I direct that my Trustee consult with the three member panel selected to evaluate the matter of the beneficiary's dependency as well as counselors from rehabilitative programs selected by my beneficiary's medical doctors in order to best design an individualized program for the affected beneficiary.

I specifically authorize and direct my Trustee to pay the expenses of rehabilitation for the affected beneficiary from that beneficiary's trust property.

If any of my beneficiaries are incarcerated, I authorize my Trustee to withhold or limit distributions to such beneficiary during the period of such incarceration and, thereafter, to condition some or all of such distributions on participation by the beneficiary in counseling or therapy intended to reduce the likelihood of recidivism.

c. **Exercise Option on a Policy**

My 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**

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

e. **Surrender a Policy**

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

f. **Elect Paid-Up Insurance**

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

g. **Sell Policies**

My 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**

My 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 the Trust**

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

My 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. Rights and Duties of Trustees with respect to Life Insurance Policies

The provisions of this Section shall supersede the principles of trust law generally with respect to my Trustee's duties and obligations relating to any life insurance policies owned or acquired by my trust.

a. Right of Trustees to Accept and Retain Life Insurance Policies Without Liability

My Trustees may, without liability, accept and retain policies of insurance on my life or on the life of any other person in whose life my Trustees have an insurable interest. My Trustees shall have no duty at any time during the term of any trust created hereunder to diversify with respect to such policies or to inquire into the suitability of any insurance policy or the financial condition of any insurer.

b. Right of Trustees to Purchase Life Insurance Without Any Duty to Diversify; Limited Liability

My Trustees may purchase insurance on my life or on the life of any other person in whose life I or my Trustee has an insurable interest. Such purchase and payment of subsequent premiums may utilize all or any part of trust assets without any duty to diversify the investments of the trust in assets other than life insurance. My Trustee may purchase all insurance held hereunder from one or more insurers without any duty to diversify the types of policies or to purchase policies from more than one insurer.

My Trustee may, without incurring any liability to any person, purchase such policies upon the recommendation of an experienced insurance advisor or my Protector. My Trustee shall be under no liability at any time during the term of any trust hereunder to any person for any loss suffered as a result of the financial condition, including insolvency, of any insurer.

The Trustmaker considers life insurance policies, including policies issued by companies approved by the Protector or any entity or entities succeeding to the business of said company, as proper investments of the trust capital and income.

So long as the assets that represent the cash values of such policy, are held in a segregated asset account that is not subject to claims by the creditors of such insurer, my Trustee need not be concerned with the financial strength of the insurer. My Trustee is authorized to invest or retain indefinitely, any insurance policy that holds or acquires an interest in any entity or asset held by me or members of my family, or Trusts created by any of us. My Trustee shall have no duty, responsibility or liability to monitor the investments or the investment performance of any partnership owned by this Trust or by an insurance policy owned by this Trust.

The trustee shall have no duty, responsibility or liability to monitor the investments or the investment performance of any investment inside any separate account within any life insurance policy owned by this trust if the investments in that separate account are comprised primarily of closely held business interests managed by members of my family.

The sole duty of the trustee with respect to such insurance policy or policies shall be to hold the policy and pay premiums.

c. My Trustee May Rely on My Protector's Directives

Upon the written direction of the Protector, my Trustee shall appoint an "Ancillary Insurance Trustee" specified by the Protector. Such Ancillary Insurance Trustee shall have the authority to act for this Trust with regard to the purchase of one or more policies of life insurance; provided, however, that such Ancillary Insurance Trustee shall have such authority only for the time period specified in the written direction of the Protector, and only with regard to the purchase of policies approved by the Protector. The authority of the Ancillary Insurance Trustee shall cease upon the date specified by the Protector in its written direction to the Trustees, and the appointment shall specify the date on which such authority ceases. . In the alternative, my Trustee may establish a subtrust under the laws of any jurisdiction with the Ancillary Insurance Trustee as the

Trustee thereof, and this Trust as the beneficiary thereof, or a company (in which the Ancillary Insurance Trustee exercises discretion with regard to the purchase of insurance) in an appropriate jurisdiction, in order to facilitate the purchase of such insurance.

My Trustee shall have no duty or responsibility to inquire into the suitability of any insurance policy or the financial condition of any insurer issuing any policy purchased by, or at the direction of, the Ancillary Insurance Trustee. My Trustee shall, without discretion, pay such premiums as may be required under the terms of any insurance policy purchased at the direction of the Ancillary Insurance Trustee, except to the extent otherwise directed in writing by the Protector, or transfer sufficient funds to pay such premiums to the subtrust or other entity established to facilitate the purchase of such insurance..

d. Payment of Life Insurance Premiums

My Trustee may pay premiums on life insurance policies and may utilize all or any part of trust assets to do so without any duty to diversify the investments of the trust in assets other than life insurance and without incurring any liability to any person who is a beneficiary of this trust.

Section 3. The Death of an Insured

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

My 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 the trust. My Trustee shall not be liable to any beneficiary for the settlement option ultimately selected.

b. Collection Proceedings

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

My 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.

My 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 my Trustee shall be binding and conclusive on all beneficiaries.

c. Liability of Payor

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

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

Section 4. Intent to Create a Grantor Trust

I intend that this trust be a grantor trust for federal income tax purposes. I understand that the powers granted and reserved in this trust will cause the income of the trust to be taxed to me under the provisions of Sections 671-677 of the Internal Revenue Code of 1986.

Article Five

Administration of My Trust on My Death

Section 1. Purchase of Assets and Loans

My Trustee is authorized to purchase and retain in the form received, as an addition to the trust, any property that is a part of my probate or trust estate. In addition, my Trustee may make loans, with or without security, to my probate or trust estate. My 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, my Trustee shall not have the power to use any trust property for the benefit of my estate as defined in Section 20.2042-1(b) of Title 26 of the Code of Federal Regulations, unless such property otherwise is included in my gross estate for federal estate tax purposes.

Section 2. Distributions of Amounts Included in My Estate

My Trustee shall distribute an amount equal to the value of any asset of this trust that is includible in my gross estate for federal estate tax purposes to my revocable living trust.

The amount so distributed shall be added to the property of my living trust and disposed of in accordance with its terms.

If I die and my living trust is not in existence, my Trustee shall distribute the amount called for under this Section to my descendants, per stirpes.

Section 3. Administration of the Balance of the Trust Property

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

The Family Trust

It is not my desire to create a Family Trust for the benefit of my beneficiaries. All of the trust property that has not been distributed under prior provisions of this agreement shall be divided, administered, and distributed under the provisions of the Articles that follow.

Article Seven

The Common Trust

It is not my desire to create a Common Trust for the benefit of my beneficiaries. All of the trust property that has not been distributed under prior provisions of this agreement shall be divided, administered, and distributed under the provisions of the Articles that follow.

Article Eight

Distribution of My Trust Property

Section 1. Division into Separate Shares

All trust property not previously distributed under the terms of my trust agreement shall be divided into equal separate shares so as to create one equal share for each of my then living children, and one equal share for each of my deceased children that has descendants then living.

These separate trust shares shall also be held, administered, and distributed in accordance with the provisions of this Article and the Articles that follow.

Section 2. Creation of Exempt and Nonexempt Shares for Beneficiaries

If any portion of any trust share created for any beneficiary in Section 1 would not be exempt from the Generation Skipping Transfer Tax, then my Trustee shall divide the trust property constituting the trust share for that beneficiary into two separate shares. One share shall be designated the "Exempt Share." The second share shall be designated the "Nonexempt Share." My Trustee shall allocate trust property to fund such shares as follows:

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

My Trustee shall allocate to each beneficiary's Nonexempt Share such beneficiary's proportionate share (as determined in Section 1 of this Article) of the remaining trust property.

My Trustee shall have complete authority to make allocations of trust property between the Exempt Shares and the Non-Exempt Shares established in this Section. Property conveyed or assigned in kind to the Exempt Shares shall be valued at its value as finally determined for federal

estate tax purposes. However, if specific property is allocated to these shares, the division of assets shall be made in a manner that fairly reflects net appreciation or depreciation in the value of the assets measured from the valuation date for federal estate tax purposes to the date of funding.

The Exempt Shares and Non-Exempt Shares shall be held and administered as separate and distinct trusts. The terms and provisions of each beneficiary's Exempt Share and Non-Exempt Share shall be the trust provisions established for that beneficiary in Section 4 of this Article. However, the Non-Exempt Share shall be subject to the general power of appointment provisions of Section 13 of Article Twelve.

Section 3. Guidelines Applicable to Separate Trust Shares

Except to the extent, if any, otherwise provided by more restrictive provisions contained in subsequent sections of this Article with respect to a particular trust share, each trust share created for a beneficiary pursuant to Section 1 of this Article shall be held, administered, and distributed in accordance with the following directives. During the lifetime of the named beneficiary of any share, such named beneficiary shall be the Primary Beneficiary of such share; thereafter, if the share is subdivided into separate shares for my descendants or otherwise, the person for whom the separate share is established shall be the Primary Beneficiary thereof.

a. Preservation of Exempt Property for Future Generations

Except as otherwise permitted herein, my Trustee shall hold the trust property of each Exempt Share for the benefit of my beneficiaries as provided in this agreement. Although my Trustee, in its discretion, may distribute the property of a trust share which is exempt from the Generation Skipping Transfer Tax pursuant to the terms of this agreement for the benefit of my beneficiaries, I request that my Trustee, before making distributions to a beneficiary from the Exempt Share, inform the beneficiary about the long-term advantages of retaining assets in trust to avoid estate tax liability and generation-skipping tax liability for generations.

I request that any discretionary distributions be made first from any Non-Exempt Share held for a beneficiary and only thereafter from the beneficiary's Exempt Share.

b. Provide for My Beneficiaries' Lifestyle Needs

I desire that my Trustee provide the respective beneficiary of each such share with funds (paid to, or for the benefit of, such Primary Beneficiary) sufficient to provide for the beneficiary's health, education, maintenance, support and welfare, and to provide the beneficiary with sufficient funds to maintain a modest, conservative lifestyle. I also desire that my Trustee give assistance to the respective beneficiary of each such share for:

The purchase of a residence which is modest and commensurate with the Primary Beneficiary's lifestyle.

The purchase or establishment of a business or professional practice.

Any other extraordinary opportunity or expense deemed by my Trustee to be in the best interests of the beneficiary.

I have previously made significant gifts to my children, and those gifts are fully available to them to use in any way they choose. My purpose in creating this trust is to provide a financial resource base that will support and protect my family for generations to come. While my children or their descendants may choose to make charitable contributions from their independent resources [including those resources which they received as gifts from me] I do not regard this trust as an appropriate source for charitable giving. Accordingly, my Trustee shall not make distributions to any beneficiary from this trust if my Trustee believes or suspects that the distributed funds will be used to make any kind of charitable contribution. I envision that these resources will be maintained to provide for the specific needs of my children and their descendants. Accordingly, in making discretionary distributions to a beneficiary, my 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 and are known to my Trustee. It is also my express desire that my Trustee take into consideration the future probable needs of a beneficiary prior to making any discretionary distributions hereunder.

However, during any period when the Primary Beneficiary of a trust share serves as the sole trustee of his or her trust share, distributions to or for the benefit of such Primary Beneficiary (or to satisfy any support obligation of such Primary Beneficiary) shall be limited to distributions which satisfy the ascertainable standards of health care, education, maintenance, and support for the Primary Beneficiary except to the extent otherwise authorized by the provisions below concerning the Powers of an Interested Trustee.

c. Provisions Relating to the Payment of Debts of a Beneficiary

I do not desire that my Trustee use its discretion to pay debts incurred by a beneficiary (except debts incurred in the ordinary course of living for matters related to, and consistent with, the ascertainable standard referred to above and the principles of this section). Further, I do not desire that such discretion be used in a manner which enables the respective beneficiary to provide for persons other than the beneficiary's descendants or then living spouse, or which would cause the beneficiary's share to be included in the taxable estate of the beneficiary.

d. Distributions to a Primary Beneficiary's Spouse and Descendants

My Trustee may make distributions from the trust share of a Primary Beneficiary to or for the health, education, maintenance and support of the spouse of the Primary Beneficiary if the spouse is living with the Primary Beneficiary. My Trustee shall have the discretion to determine whether a spouse is living with the Primary Beneficiary at the time a distribution is made.

My Trustee may also make distributions from the trust share of a Primary Beneficiary to or for the benefit of a descendant of the Primary Beneficiary for the health, education, maintenance and support of such descendant.

Distributions shall only be made by my Trustee to a spouse or a descendant of the Primary Beneficiary after considering the needs of the Primary Beneficiary of the trust share. Distributions made pursuant to this provision may be made to the complete exclusion of the other beneficiaries of the trust share. These distributions may be

made to the Primary Beneficiary, the spouse of the Primary Beneficiary or the descendants of the Primary Beneficiary in equal or unequal amounts according to their respective needs. A distribution to or for the benefit of a beneficiary's needs shall be charged to the trust rather than against the beneficiary's ultimate share or the shares of those persons taking through such beneficiary upon the termination of the trust. However, a distribution for the purchase of a residence, the purchase or establishment of a business or professional practice, or for any other extraordinary opportunity or expense shall be charged to the beneficiary's ultimate share or the share of those persons taking through such beneficiary upon the termination of the trust.

e. Distributions Should Encourage Beneficiaries to Live Meaningful Lives

Until the Primary Beneficiary of a trust share attains the age of 35, I desire that distributions of property from the Primary Beneficiary's share be limited in such a manner as to encourage the Primary Beneficiary to fill a meaningful role in society and to conserve a reasonable amount of principal in order to provide security for the Primary Beneficiary's retirement. I do not desire that my Trustee use discretion so liberally as to remove any incentive for the Primary Beneficiary to fill a meaningful role in society.

To clarify my intent in this provision, when I use the phrase "a meaningful role in society", I would include any of the following activities conducted on a substantially full-time basis (full-time either individually, or in the combination in which they are pursued by the Primary Beneficiary): (i) paid employment; (ii) efforts to start, manage or operate a business; (iii) creation of literary works, works of art or craft work if the Primary Beneficiary shows a talent for such creation and such works appear to have sufficient commercial value or potential to earn funds to support at least a subsistence lifestyle for the Primary Beneficiary; (iv) education; (v) organized research; (vi) volunteer work for a bona fide charitable organization; (vii) public office; (viii) parenting; (ix) competitive athletics or sport; (x) artistic performance (such as dance, music, theater, *et cetera*); and (xi) any other activity that my Trustee concludes, in its sole discretion, furthers the Primary Beneficiary's self-esteem and sense of accomplishment.

My Trustee may, in its discretion, increase or decrease the amount of Trust assets paid to, or for, a Primary Beneficiary in order to encourage such Primary Beneficiary to take actions likely to fulfill his or her potential. In that regard, my Trustee may provide for bonus distributions, or increases in regular distributions, to the extent that the Primary Beneficiary meets performance targets set by my Trustee and communicated to the Primary Beneficiary.

My Trustee may use funds from the Primary Beneficiary's share to retain a suitable professional to meet with and counsel the Primary Beneficiary with regard to achieving self-esteem, or finding a suitable career, may set standards and targets based on the advice of such professional, and may rely upon reports from such professional. However, my Trustee need not retain such a professional unless my Trustee believes it would provide meaningful assistance to meet the goals set forth herein. For example, if the Primary Beneficiary is already pursuing an active professional career or business, my Trustee should not need the advice of a professional counselor.

During any period in which my Trustee concludes that the Primary Beneficiary is unable to otherwise fill a meaningful role in society due to any disability or illness, the Primary Beneficiary shall be deemed to fill a meaningful role in society, regardless of his or her activities

f. Payment of Educational Expenses

If the Primary Beneficiary is a full time student at an accredited college, university, vocational school or similar institution and maintains a grade point average equivalent to "C" or better, my Trustee shall, in its sole and absolute discretion, pay for the Primary Beneficiary's reasonable educational costs. As used in this Paragraph, the term "educational costs" includes tuition, books, fees, supplies, transportation (including the cost of an automobile, maintenance and repairs; and air fare in connection with travel to and from school or with respect to school functions) and reasonable living expenses. The Trustee shall have the absolute discretion to determine the reasonableness and duration of all educational costs.

g. **Payment to Guardians**

If any Primary Beneficiary is a minor or incapacitated and placed in the home of a relative or guardian, my Trustee shall furnish from the share for such Primary Beneficiary those trust funds which my Trustee deems, in its sole and absolute discretion, to be necessary or advisable to assist the guardian or relative in providing adequate care and housing for the Primary Beneficiary.

My Trustee may make funds available to any such guardian or relative who is caring for a Primary Beneficiary in order to:

Improve the guardian's or the relative's home;

Purchase a more suitable home for the guardian or the relative

Purchase personal property, appliances, or any other appurtenances needed to provide adequate care and housing for the beneficiaries.

Notwithstanding anything in this agreement to the contrary, if a guardian is also serving as a Trustee under this agreement and a corporate fiduciary is not acting as a Co-Trustee, then no payments to or for the benefit of that guardian shall be made pursuant to this Section unless approved by a Co-Trustee who meets the requirements to be a Independent Special Trustee in relation to the guardian, and the guardian may, if no such person is serving as a Co-Trustee, appoint a person to serve as the Independent Special Trustee with regard thereto. In lieu of providing funds to the guardian for the purposes specified above, my Trustee may make property acquired by this Trust available for use by the guardian to meet the purposes of these provisions.

h. **Provisions Governing When One Beneficiary Causes the Death of Another Beneficiary**

Any beneficiary who intentionally causes the death of another beneficiary shall forfeit all rights and benefits whatsoever to any interest in this Trust if:

The BEATRICE B. DAVIS
Family Heritage Trust

Article One

Creation of My Trust

Section 1. My Trust

This is my irrevocable trust, dated July 28, 2000. I, BEATRICE B. DAVIS, am the Trustmaker.

The following is my initial Trustee:

ALASKA TRUST COMPANY

The following is my initial Protector :

STEPHEN K. LEHNARDT

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

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

I desire to give my Trustee broad discretion with respect to the management, distribution and investment of my trust, so as to benefit trust beneficiaries. Specific goals of my trust include, but are not limited to, the following:

Minimizing the extent to which the trust estate is subject to the claims of creditors; and

Minimizing the income and wealth transfer taxes which beneficiaries may face on their trust shares; and

In order to maximize the protection of the trust estate or estates from creditor's claims of the Trustmaker and to minimize all wealth transfer taxes, I have provided that the various trusts created hereunder may last in perpetuity as permitted under Alaska law.

Section 2. Application of Alaska Trust Law

I intend that this trust and the trusts created under this Agreement are trusts described in Alaska Statutes (AS) 34.40.110, 13.36.035(a) and (c). Accordingly, unless the Trustee moves the situs of this trust or any trust created hereunder to another jurisdiction, I direct that

At all times at least one trustee of each trust shall be a "qualified person" under AS 13.36.390(1); and

The duties of that trustee shall include the duty and responsibility to maintain books and records of the trust in Alaska and to prepare or to arrange for the preparation of the tax returns of the trust; and

At least some assets of the trust shall be deposited in Alaska within the meaning of AS 13.36.035(c)(1); and

At least part of the administration of the trust shall occur in Alaska within the meaning of AS 13.36.035(c)(4).

Section 3. The Name of My Trust

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

BEATRICE B. DAVIS FHT,
dated July 28, 2000

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

ALASKA TRUST COMPANY, Trustee, or its successors in trust,
under the BEATRICE B. DAVIS FAMILY HERITAGE TRUST,
dated July 28, 2000.

In addition to the above descriptions, any description for referring to my trust shall be effective to transfer title to my trust or to designate my trust as a beneficiary as long as that description includes the date of my 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 4. An Irrevocable Trust

This trust is irrevocable, and I shall have no power to control and direct payments, remove trust property, or alter, amend, revoke, or terminate this trust, either in whole or in part. In all events, this Agreement shall be interpreted in a manner consistent with the provisions of this paragraph, notwithstanding any contrary provision of this Agreement.

Section 5. I Have No Rights in This Trust

After the execution of this trust agreement, I shall have no right in the income or principal of this trust. Neither I nor my estate shall have any reversionary or similar interest in this trust or the property contained in it.

Section 6. Guidance in Interpreting My Intent

This Agreement shall be interpreted in a manner consistent with the provisions of this Article, notwithstanding any contrary provision of this Agreement.

Article Two

Funding My Trust

Section 1. Initial Funding

My trust will be initially funded with \$10 and such other property as I transfer to it by gift.

Section 2. Additional Funding

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

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

Article Three

Administration of My Trust During My Life

Section 1. My Lifetime Beneficiaries

I am the widow of Ilus W. Davis.

The names of my children are:

CHRISTOPHER D. DAVIS

CAROLINE D. DAVIS

All references to my children in this agreement are to these children.

During my lifetime, except as otherwise provided in this instrument, the beneficiaries of this trust shall be my children, my children's spouses, my children's descendants, and any other natural person added as a beneficiary pursuant to other provisions of this agreement which permits such persons to be added as beneficiaries.

Section 2. A Beneficiary's Withdrawal Right

While I am living, in 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, each living beneficiary under this Article, other than myself, shall have only the withdrawal rights set out in this Section.

a. Beneficiaries Shall Have Withdrawal Rights

If no contrary intention is expressed by the donor, and subject to the other limitations imposed under this Article, each living beneficiary (other than myself, if I should be added as a beneficiary by the Protector) under Section 1 shall have the right to withdraw that beneficiary's portion of the property contributed to this trust. The person or persons contributing funds to this trust may, however, specify in writing to the Trustee at the time the funds are

contributed that any one or more of the beneficiaries shall not have the withdrawal rights which are set forth in this Article, or may specify in writing to the Trustee that no contributions made to the Trustee subsequent to the writing shall be subject to withdrawal rights, except to the extent subsequently specified in writing to the Trustee.

b. Each Beneficiary's Share

Unless a donor provides otherwise, each lifetime beneficiary of this trust shall be entitled to an equal, pro-rata share of the contributed property.

c. Value of 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 amount withdrawable by a beneficiary by reason of a direct or indirect gift to this trust by a donor in any one calendar year exceed the gift tax annual exclusion, or twice that amount if all of the following apply: (i) the donor is married at the time the contribution is made, (ii) the gift is eligible to be "split" for federal gift tax purposes between the spouses, and (iii) no separate contribution is made by the donor's spouse during the calendar year. This annual limit on withdrawals shall apply separately to annual gifts from each donor, and the annual exclusion shall not limit the cumulative amount of annual withdrawals for all donors.

The gift tax annual exclusion shall be as provided under Section 2503(b) of the Internal Revenue code of 1986, as amended, or any other corresponding provisions of any subsequent federal tax law in effect at the time of the addition to this trust.

Section 4. Exercise of Withdrawal Rights by My Beneficiaries

A beneficiary's withdrawal right shall be vested as of the date of the transfer to the trust that results in the withdrawal right. Subject to Subsection d. below, withdrawals may be made at any time from the date of the transfer to the trust through a date which is 30 days after the date on which the beneficiary (or person who has the authority to act for the beneficiary) has notice of the contribution.

a. Withdrawal Rights Are Cumulative, But Subject to Lapse

The amount withdrawable by a beneficiary as a result of successive additions shall be cumulative, but, to the extent that the withdrawal rights have not been exercised, the cumulative amount withdrawable shall lapse at the end of each calendar year by an amount equal to the greater of the amounts specified in Section 2514(e)(1) and (2) of the Internal Revenue Code (currently \$5,000 or 5% of the aggregate value of the property out of which the exercise of such power could be satisfied at the time of such lapse, with such amounts to be adjusted to reflect any subsequent amendments to such Sections) reduced by the amount of any such lapses which occurred previously in the same calendar year under this or other instruments. Any unexpired portion of such withdrawal right shall be carried forward into succeeding years and lapse on January 1st of each succeeding year, but only to the extent provided above.

b. Method for Exercising Withdrawal Rights

A withdrawal right beneficiary shall exercise a withdrawal right by delivering a written request to my Trustee prior to the date that the right lapses.

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.

If the personal representative of a deceased beneficiary does not exercise the beneficiary's withdrawal right and also does not make a

timely filing to properly allocate a portion of the deceased beneficiary's available generation skipping transfer exemption against the beneficiary's unexpired vested withdrawal amount, my Trustee shall promptly distribute to the personal representative of the beneficiary cash in an amount equal to the deceased beneficiary's unexpired vested withdrawal amount.

d. Withdrawal rights which have not expired

Withdrawal rights which are not exercised during the 30-day period provided in Subsection a. of this Section 4 may only be exercised during the first 30 days of each succeeding calendar year, and then only to the extent such rights have not otherwise expired under the terms of this instrument.

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

For each calendar year of the trust in which a direct or indirect transfer is made to the trust, my Trustee, within 15 days following the initial transfer of property to the trust for that calendar year, shall provide written notice to each beneficiary then entitled to a withdrawal right 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 which is the initial transfer made to the trust for the calendar year, my Trustee, within fifteen days of my 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, my 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 me 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

My 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, except to the extent that my Trustee believes it can borrow against other assets in order to satisfy a withdrawal right.

My 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. My 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 my Trustee of all or any part of a premium on a life insurance policy owned by the trust on my life 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 me 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

During my lifetime, all property held by my Trustee under this trust agreement, except any principal amount which is subject to a pending withdrawal right, shall be retained in trust and shall be held, administered and distributed as follows.:

a. Discretionary Distribution of Income and Principal to My Children and Their Descendants

During my lifetime, my Trustee may distribute to or for the benefit of my children and their descendants, and any other person who has been made a beneficiary hereof pursuant to the terms of this instrument, so much of the income and principal of this trust as my Trustee, in its sole and absolute discretion, shall determine. However, my Trustee shall not distribute to a beneficiary who has been appointed as a beneficiary by the Protector, an aggregate amount in excess of the aggregate amounts so appointed. Except as otherwise provided herein, my Trustee, in its sole and absolute discretion, shall determine the amount and timing of any and all distributions of income or principal to the beneficiaries hereof.

A distribution to or for the benefit of a beneficiary shall be charged to the trust as a whole rather than against the beneficiary's ultimate share.

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

b. Distributions to or for My Benefit

If I am at any time a beneficiary of this trust during my lifetime, my Trustee may also distribute to or for my benefit so much of the income and principal of this trust as my Trustee, in its sole and absolute discretion, shall determine. I do not intend to limit the sole and absolute discretion of my Trustee in any way, nor to impose any fiduciary duty other than as expressly stated in my trust.

My Trustee shall have no obligation to make any distribution whatsoever to me under any circumstances. I do not anticipate that my other resources will ever be insufficient to maintain my lifestyle as it exists at the time of creation of this trust. However, if my circumstances should change, and if the Protector shall appoint me as an additional beneficiary of this trust, my Trustee, in its sole and absolute discretion, may make distributions to or for my benefit during my lifetime to allow me to maintain my lifestyle as it exists at the time of creation of my trust. My Trustee may (but need not) rely on a certificate signed by the Protector, without further investigation, in making its determination regarding the sufficiency, or lack thereof, of my other resources, and my Trustee shall have no liability for actions taken in reliance on such a certificate.

c. Additional Restrictions, Guidelines and Requirements for Discretionary Distributions

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

In making distributions under this provision, my Trustee shall also take into account the general guidelines I have established in Section 3. of Article Eight.

Without limiting the discretion of my Trustee, I request that:

My Trustee shall emphasize conservation of principal and growth of the trust estate in determining the appropriate amounts of any distributions, other than distributions to myself (to the extent, if any, that I may be a beneficiary hereof); and

My Trustee shall be especially mindful of any outstanding obligations that my Trustee has, and distributions shall not be made which impair my Trustee's ability to satisfy those obligations.

Distributions to beneficiaries other than myself (to the extent that I may be a beneficiary hereof) shall generally be made on an equitable basis, so that the family of one of

my descendants does not receive substantially more than the family of another descendant at the same level of consanguinity.

My Trustee shall have no liability whatsoever for distributions which are authorized by this instrument to any beneficiary or beneficiaries if such distributions are consistent with written advice from the Protector, so long as my Trustee does not believe in good faith that such advice was given under duress or legal compulsion. In the event of any doubt regarding an instruction or advice from the Protector, I encourage and authorize my Trustee to require the Protector to certify, under penalty of perjury, that my Protector has not given such advice or instruction under duress or legal compulsion. In any event, at least ten days before making any distributions permitted by this Section to any person my Trustee shall advise the Protector in writing of my Trustee's intention to make the proposed distribution and the amount proposed to be distributed, unless the Protector has waived notice of such distribution.

My Trustee, in evaluating the extent to which distributions may be appropriate to a beneficiary, may take into account all obligations, including tax obligations, of the beneficiary. However, my Trustee shall not be obligated to make any distributions in amounts which compensate any beneficiary for any income or other tax imposed on a beneficiary as a result of the income of this Trust, or which satisfy any such obligation. I prefer that any distributions made to assist a beneficiary to meet its tax or other obligations be made only if the failure to provide such reimbursement would cause an economic hardship to the beneficiary and the beneficiary could not comfortably pay such tax or other obligation from other resources.

d. Prohibitions Against Certain Distributions

Notwithstanding any other provision of this trust agreement, no distribution shall be made by my Trustee to satisfy any legal support obligation which I have, nor shall any such distribution be made to my estate or to any creditor of my estate.

Likewise, in no event shall the aggregate distributions to all beneficiaries during my lifetime, other than to me if I have been added as a beneficiary, pursuant to the provisions of this Section 9 exceed one and one half (1.5%) percent of the value of the trust in any calendar year. For purposes of valuing the trust for determining

the amount that can be distributed under this provision, the value shall be the value of the trust on the 31st day of December of the year prior to the year in which the subject distribution is made.

Section 10. Limited Power of Appointment

During my lifetime, my Trustee shall have the limited power to appoint the principal of the trust to any persons, or corporations or other entities, in whole or in part, or in equal or unequal proportions, subject to the following provisions:

a. Successor Trustees

If my Trustee resigns, is terminated, or cannot serve for any other reason, then my Trustee's successors in trust shall have the right to exercise this limited power of appointment.

b. Qualifications on the Limited Power of Appointment

The power shall only be exercisable by the holder of the power, and shall not be exercised in favor of the holder, the holder's estate, the holder's creditors, or the creditors of the holder's estate. It may only be exercised in favor of persons who are beneficiaries of this trust or in favor of trusts for the benefit of persons who are beneficiaries hereof.

The power shall not be exercised by the holder in any manner that would result in an economic benefit to the holder or that would in any manner discharge or reduce any legal obligation of the holder.

My Trustee shall have no right to exercise this power of appointment with respect to any portion of the trust property which is subject to a continuing withdrawal right of a beneficiary.

No exercise of this power of appointment may be made, or shall be valid, until 30 calendar days after notice of the intended exercise of the power of appointment, including the exact text of the instrument to be used to exercise the power, has been delivered to me, the Protector and the attorney(s) whose names are shown on the cover page hereof (except to the extent any of them are deceased or the Trustee cannot locate them in the exercise of reasonable diligence).

No exercise of this power shall be valid if my Trustee is acting under duress or legal compulsion. The instrument exercising such power shall not be valid unless my Trustee represents, warrants and declares in writing, under penalty of perjury, therein that my Trustee is not acting under any duress or legal compulsion with regard to such exercise and that my Trustee has given the notice required hereunder prior to such exercise.

Section 11. Termination of the Lifetime Trust

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

Article Four
Life Insurance
and
Administrative Powers Provisions

Section 1. Purchase of Life Insurance Generally

My Trustee may purchase and hold as trust property a policy or policies of insurance on my life, the life of any trust beneficiary, or on the life of any person in whom any trust beneficiary has an insurable interest. My Trustee shall have no obligation to purchase life insurance in this trust. My Trustee may, however acquire such insurance to meet traditional insurance needs or as a vehicle for holding investment assets in a manner that allows from growth in values free of income taxes, in its discretion.

My 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.

My 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

My 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

My 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. My Trustee may assign any such policy as security for the loan.



EXHIBIT 11



CLERK OF THE COURT

PET

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DISTRICT COURT

CLARK COUNTY, NEVADA

In the Matter of:

Case No.: P-15-083867-T

Dept.: Probate

The BEATRICE B. DAVIS FAMILY
HERITAGE TRUST, dated July 28, 2000, as
amended on February 24, 2014

Hearing Date:
Hearing Time:

**PETITION TO ASSUME JURISDICTION OVER THE BEATRICE B. DAVIS FAMILY
HERITAGE TRUST, DATED JULY 28, 2000, AS AMENDED ON FEBRUARY 24, 2014;
TO ASSUME JURISDICTION OVER CHRISTOPHER D. DAVIS AS INVESTMENT
TRUST ADVISOR AND STEPHEN K. LEHNARDT AS DISTRIBUTION TRUST
ADVISOR; TO CONFIRM DUNHAM TRUST COMPANY AS DIRECTED TRUSTEE;
AND FOR IMMEDIATE DISCLOSURE OF DOCUMENTS AND INFORMATION
FROM CHRISTOPHER D. DAVIS**

Caroline D. Davis, as beneficiary of the Beatrice B. Davis Family Heritage Trust, dated July 28, 2000, as amended on February 24, 2014, by and through her counsel, the law firm of Solomon Dwiggins & Freer, Ltd., hereby submits this Petition To Assume Jurisdiction Over The Beatrice B. Davis Family Heritage Trust, dated July 28, 2000, as amended on February 24, 2014; To Assume Jurisdiction Over Christopher D. Davis as Investment Trust Advisor and Stephen K. Lehnardt as Distribution Trust Advisor; To Confirm Dunham Trust Company As Directed Trustee; and For Immediate Disclosure of Documents and Information From Christopher D. Davis. Pursuant to NRS §153.031(e), (f), (h) and (q); NRS §163.115; NRS §164.005; NRS §164.010; and NRS §164.015, Petitioner alleges as follows:

1. Beatrice B. Davis ("Beatrice") executed the Beatrice B. Davis Family Heritage Trust on July 28, 2000 (the "Trust"), in Jackson County, Missouri. A true and correct copy of the Trust is attached hereto as **Exhibit 1**.

2. Beatrice died on January 5, 2012, in Prairie Village, Kansas. *See, Statement as to Death*, a true and correct copy is attached hereto as **Exhibit 2**.

3. Beatrice was survived by her daughter, Caroline D. Davis ("Caroline") and her son Christopher D. Davis ("Christopher"). Beatrice had no predeceased children.

4. The names, ages, relationship and residences of the persons interested in the Trust so far as known to Caroline, are as follows:

Name	Age	Relationship	Residence
Caroline D. Davis	Adult	Beneficiary	2501 Nob Hill Place North Seattle, Washington 98109
Christopher D. Davis	Adult	Beneficiary	3005 North Beverly Glen Cir. Los Angeles, California 90077

5. Pursuant to Article Eight, Section 1 of the Trust, after the death of Beatrice, "[a]ll trust property not previously distributed under the terms of [the] trust agreement shall be divided into equal separate shares so as to create one share for each of my then living children, and one equal share for each of my deceased children that has descendants then living." *See, Ex. 1*, at Art. 8, §1. Further, pursuant to Article Eight, Section 4 of the Trust, the Trustee of Caroline's Share and Christopher's Share is permitted to distribute so much of the income and principal as the Trustee shall determine in the Trustee's sole and absolute discretion for Caroline and Christopher's lifetime. *Id.*, at Art. 8, §4. As such, Caroline and Christopher are the current lifetime beneficiaries of the Trust.

6. Pursuant to the terms of the Trust, Alaska Trust Company ("Alaska") was appointed as the initial Trustee, and Stephen K. Lehnardt ("Mr. Lehnardt") was appointed as the initial Trust Protector. *See, Ex. 1*, at Art. 1, §1.

7. On August 2, 2011, Mr. Lehnardt, as Trust Protector, removed Alaska as Trustee and appointed Alaska USA Trust Company ("Alaska USA") as Trustee of the Trust. *See, Acceptance As Trustee*, a true and correct copy is attached hereto as **Exhibit 3**.

1 8. On December 5, 2013 Alaska USA resigned as Trustee. *See, Resignation of*
2 *Trustee*, a true and correct copy is attached hereto as **Exhibit 4**. Dunham Trust Company, located
3 in Reno, Nevada ("Dunham") was nominated by Mr. Lehnardt, in his capacity as Trust Protector,
4 to serve as Successor Trustee. Dunham subsequently accepted appointment and is currently
5 serving as Successor Trustee of the Trust.

6 9. On February 24, 2014, pursuant to Article Fourteen, Section 6 of the Trust, Mr.
7 Lehnardt, in his capacity as Trust Protector, executed the First Amendment to the Beatrice B.
8 Davis Family Heritage Trust (the "First Amendment"). A true and correct copy of the First
9 Amendment is attached hereto as **Exhibit 5**. The purpose of the First Amendment was "to change
10 references to Alaska or Alaska law to references to such new situs or the law of such new situs..."
11 *See, Ex. 1, at Art. 14, §6.*

12 10. Pursuant to Article One, Section 2 of the First Amendment, the Trust situs is now
13 Nevada, and the Trust and all trusts created thereunder are governed by Nevada law. *See, Ex. 6, at*
14 *p. 1, Art. 1, §2.*

15 11. Article Thirteen, Section 2.d. of the First Amendment, appointed Dunham as the
16 "Directed Trustee" pursuant to NRS §163.553 et. seq. *Id.*, at p. 2, Art. 13, §2.d., First.

17 12. Article Thirteen, Section 2.d. of the First Amendment, further appointed
18 Christopher as the "Investment Trust Advisor" pursuant to NRS §163.5543, and designated him
19 as a "Fiduciary" under NRS §16.554. *Id.*, at p.2-3, Art. 13, §2.d., Second. Pursuant to the First
20 Amendment, Christopher is provided the "full power to manage the investments and
21 reinvestments of the trust", and Dunham, as Directed Trustee, has no authority act or interfere
22 with the actions of Christopher, as the Investment Trust Advisor, unless otherwise directed. *Id.*, at
23 p. 3.

24 13. Article Thirteen, Section 2.d. of the First Amendment, appointed Mr. Lehnardt, in
25 his capacity as the Trust Protector of the Trust, as the "Distribution Trust Advisor" pursuant to
26 NRS §163.5537, and designated him as "Fiduciary" pursuant to NRS §163.554. *Id.*, at p. 3, Art.
27 13, §2.d., Third.



14. Therefore, pursuant to the terms of the First Amendment, whereby: (1) the Trust and all trusts created thereunder are governed by the laws of the State of Nevada; (2) Christopher is currently serving as Investment Trust Advisor and has submitted to the laws of the State of Nevada, including Clark County; (3) Mr. Lehnardt is currently serving as Distribution Trust Advisor and has submitted to the laws of the State of Nevada, including Clark County; and (4) Dunham, a Nevada Trust Company conducting business throughout the State of Nevada, including Clark County, is currently serving as Directed Trustee, this Court should assume jurisdiction over the Trust as a proceeding *in rem*, assume jurisdiction over Christopher as Investment Trust Advisor of the Trust pursuant to NRS § 163.5555, assume jurisdiction over Mr. Lehnardt as Distribution Trust Advisor of the Trust pursuant to NRS § 163.5555, and confirm Dunham as Directed Trustee of the Trust.

**PETITION FOR THE IMMEDIATE DISCLOSURE OF DOCUMENTS AND
INFORMATION FROM CHRISTOPHER D. DAVIS**

15. On May 9, 2011, the Trust became the owner and Beneficiary of an Ashley Cooper Life Insurance Policy, Policy Number ACLI 1105-8007 PC (the "Policy"). A true and correct copy of the Policy is attached hereto as **Exhibit 6**.¹ The Policy is the primary asset held within the Trust.

16. The initial specified amount of insurance, or face cover value, is \$35,000,000.00. *See*, Ex. 6, at Declaration Page.

17. The Insured is Cheryl Davis, Christopher's ex-wife, and the maturity date is September 28, 2054. *Id.*

18. Pursuant to Section 10 of the Policy, the Owner (i.e., the Trust) is permitted to obtain one or more Policy loans from Ashley Cooper Life International Insurer ("Ashley Cooper"). *Id.*

19. While Alaska was serving as Trustee of the Trust, Alaska entered into a Policy Loan Revolving Line of Credit on September 2, 2011, for \$4,000,000 (the "Line of Credit"). A

¹ According to the Absolute Assignment To Effect A Section 1035 Exchange, a true and correct copy of which is attached hereto as **Exhibit 7**, Advantage Life & Annuity Company SPC Policy No. ALIP 008-1031 was assigned to Ashley Cooper Life International Insurer ("Ashely Cooper") on May 2, 2011.

true and correct copy of the Policy Loan Request and Agreement and Collateral Assignment is attached hereto as **Exhibit 8**.

20. Throughout Alaska and Alaska USA's tenure as Trustee(s) of the Trust, several Policy loans were drawn upon the Policy's Line of Credit, the proceeds of such loans were deposited in to Alaska USA Trust Account Number ****1938, and subsequently distributed to one or more of the following entities: (1) The Beatrice B. Davis Revocable Trust, dated April 4, 1990, as amended; (2) The Davis Family Office, LLC; and (3) Christopher, individually.

21. Below is a list of all known Policy loans and distribution of the proceeds made from on or around September 6, 2011 through June 13, 2014:

Date	Loans Withdrawn by the Trust From the Ashley Cooper Insurance Policy	The Recipient of the Loan Proceeds Pursuant to Promissory Note(s)		
		The Revocable Living Trust ²	Davis Family Office, LLC ³	Christopher, individually ⁴
09/06/11	\$170,000.00 ⁵	\$170,000.00 ⁶		
12/15/11	\$18,000.00 ⁷	\$18,000.00 ⁸		
02/09/12	\$75,000.00 ⁹	\$75,000.00 ¹⁰		
03/28/12	\$100,000.00 ¹¹	\$100,000.00 ¹²		
03/04/13	\$50,000.00 ¹³	\$50,000.00 ¹⁴		

² See, Promissory Note dated 09/01/2011 (an asset of the Trust), a true and correct copy of which is attached hereto as Exhibit 9. See also Ex. 8, the Policy Loan Request & Agreement and the Collateral Assignment.

³ See, Promissory Note dated 04/04/2013 (an asset of the Trust), a true and correct copy of which is attached hereto as Exhibit 10.

⁴ See, Promissory Note dated 03/26/2013 (an asset of the Trust), a true and correct copy of which is attached hereto as Exhibit 11.

⁵ See, Ashley Cooper Quarterly Statement Ending on September 30, 2011, for Life Policy No. ACLI 1105-8007 PC, a true and correct copy of which is attached hereto as Exhibit 12.

⁶ See, Alaska USA Trust Company Statement: January 1, 2011 to December 31, 2011 (Account Number****1938), a true and correct copy is attached hereto as Exhibit 13, at p. 3.

⁷ See, Ashley Cooper Quarterly Statement Ending on December 31, 2011, for Life Policy No. ACLI 1105-8007 PC, a true and correct copy of which is attached hereto as Exhibit 14.

⁸ See, Ex. 13, at p. 3.

⁹ See, Ashley Cooper Quarterly Statement Ending on March 31, 2012, for Life Policy No. ACLI 1105-8007 PC, a true and correct copy of which is attached hereto as Exhibit 15.

¹⁰ See, Alaska USA Trust Company Statement: January 1, 2012 to December 31, 2012 (Account Number****1938), a true and correct copy is attached hereto as Exhibit 16, at p. 3.

¹¹ See, Ex. 15.

¹² See, Ex. 16, at p. 3.

¹³ See, Ashley Cooper Quarterly Statement Ending on March 31, 2013, for Life Policy No. ACLI 1105-8007 PC, a true and correct copy of which is attached hereto as Exhibit 17.

03/14/13	\$53,000.00 ¹⁵	\$53,000.00 ¹⁶		
03/25/13	\$94,239.00 ¹⁷			\$75,391.20 and \$18,847.80 ¹⁸
03/28/13	\$70,000.00 ¹⁹		\$20,000.00 ²⁰	\$50,000.00 ²¹
05/09/13	\$150,000.00 ²²		\$25,000.00 ²³	\$125,000.00 ²⁴
06/26/13	\$290,700.00 ²⁵	\$69,500.00 ²⁶	\$79,900.00 ²⁷	\$126,300.00 ²⁸
09/17/13	\$134,000.00 ²⁹			\$134,000.00 ³⁰
10/08/13	\$200,750.00 ³¹	\$22,500.00 ³²	\$50,250.00 ³³	\$128,000.00 ³⁴
06/13/14	\$25,000.00 ³⁵			
Totals	\$1,430,689.00	\$558,000	\$175,150.00	\$657,539.00

22. It is important to note that, pursuant terms of the Beatrice B. Davis Revocable Living Trust, dated April 4, 1990, as amended (the "Revocable Living Trust"),³⁶ upon Beatrice's

¹⁴ See, Alaska USA Trust Company Statement: January 1, 2013 to December 31, 2013 (Account Number****1938), a true and correct copy is attached hereto as Exhibit 18, at p. 3.

¹⁵ See, Ex. 17.

¹⁶ See, Ex. 18, at p.3.

¹⁷ See, Ex. 17.

¹⁸ See, Ex. 18, at p. 3

¹⁹ See, Ex. 17.

²⁰ See, Ex. 18, at p. 4

²¹ *Id.*

²² See, Ashley Cooper Quarterly Statement Ending on June 30, 2013, for Life Policy No. ACLI 1105-8007 PC, a true and correct copy of which is attached hereto as Exhibit 19.

²³ See, Ex. 18, at p. 4

²⁴ *Id.*

²⁵ See, Ex. 19.

²⁶ See, Ex. 18, at p. 5.

²⁷ *Id.*

²⁸ *Id.*

²⁹ See, Ex. 18, at p. 5. Note that we do not currently have a copy of the Ashley Cooper Quarterly Statement for Life Policy No. ACLI 1105-8007 PC, which corresponds to the transaction date for this loan.

³⁰ *Id.*

³¹ See, Ashley Cooper Quarterly Statement Ending on December 31, 2013, for Life Policy No. ACLI 1105-8007 PC, a true and correct copy of which is attached hereto as Exhibit 20.

³² See, Ex. 18, at p. 6

³³ *Id.*

³⁴ *Id.*

³⁵ See, Ashley Cooper Quarterly Statement Ending on June 30, 2014, for Life Policy No. ACLI 1105-8007 PC, a true and correct copy of which is attached hereto as Exhibit 21. Note that we do not have possession of statements from Alaska USA Trust Company indicating the disposition of the loan proceeds.

1 incapacity or inability to serve as Trustee, Christopher and Caroline were appointed as Successor
2 Trustees. *See*, Ex. 9, at First Amendment, Eighth(1). Due to Beatrice's diminished capacity, on
3 or about March of 2007, pursuant to an Affidavit of Trust, Caroline and Christopher assumed
4 their role as successor Trustees. *See*, Affidavit of Trust, a true and correct copy is attached hereto
5 as **Exhibit 23**.³⁷ On or about March 22, 2007, Caroline executed a Delegation of Authority to
6 allow Christopher to act as sole Trustee of the Revocable Living Trust. *See*, Delegation of
7 Authority, a true and correct copy is attached hereto as **Exhibit 24**.³⁸ After Caroline inquired
8 Christopher about the Policy loans and his administration of the Revocable Living Trust and his
9 refusal to provide adequate documentation or information, Caroline revoked the Delegation of
10 Authority on September 23, 2014. *See*, Revocation of Delegation of Authority, a true and correct
11 copy is attached hereto as **Exhibit 25**.

12
13
14 23. Consequently, any Policy loans taken and/or received by the Revocable Living
15 Trust were initiated by Christopher, while acting in his capacity as Trustee of the Revocable
16 Living Trust. Additionally, any Policy loans taken and/or received by the Davis Family Office,
17 LLC, a Missouri limited liability company ("DFO"), were also initiated by Christopher, while
18 acting in his capacity as Manager of DFO.

19
20 24. As illustrated in the aforementioned list of all known Policy loans, the Trust has
21 distributed at least \$1,300,689.00 between the Revocable Living Trust, the DFO, and Christopher,
22 individually, all of which were made at Christopher's insistence or direction in either his
23 individual capacity, his capacity as the sole acting Trustee of the Revocable Living Trust, and his

24
25 ³⁶ True and correct copies of the Revocable Trust; the First Amendment, dated February 3, 1997; and, the Second
Amendment, dated May 11, 1998, are collectively attached hereto as **Exhibit 22**.

26 ³⁷ Note that the Affidavit of Trust attached as Exhibit 10 is an unsigned copy of the Affidavit of Trust. However, Caroline
27 is aware that such document was signed.

28 ³⁸ Although the Delegation of Authority attached as Exhibit 11 is not executed, Caroline is aware that such document was
executed, effectively providing Christopher with the authority to act singly.

1 capacity as the sole Manager of the DFO. Pursuant to correspondence dated April 11, 2014, from
2 Paul Fordham, the Ashley Cooper Client Services Manager, the "life insurance policy has
3 outstanding loans totaling \$2,164,744.68." See, Correspondence, a true and correct copy is
4 attached hereto as **Exhibit 26**. Please note that this figure does not include any of the accrued
5 interest for said Policy loans, nor does it include any additional loan amounts withdrawn by the
6 Trust, Christopher Davis, or the DFO after such date.

8 25. As Caroline is a current beneficiary the Trust³⁹ and the loans are current assets
9 held within the Trust, Caroline is entitled to complete documentation and information related to
10 the Policy loans, including, but not limited to, the identity of any entity, trust or individual who
11 has received and/or benefited from such loans, the purpose of such loans, the circumstances
12 surrounding the distribution and use of such loans, the repayment of such loans (if any), the
13 collateral for such loans, executed promissory notes, etc.⁴⁰

15 26. Further, the Trust is the one hundred percent (100%) owner of FHT Holdings,
16 LLC, a Nevada limited liability company ("FHT"), of which Christopher serves as the sole
17 Manager. As FHT is an asset of the Trust, Caroline is entitled to information related to the assets
18 held by FHT, including, but not limited to, the principal, income, and liabilities of the LLC.

19 27. Therefore, Caroline respectfully requests that this Court require Christopher to
20 provide her with any and all documents and information relating to the Policy loans and FHT.

22 **WHEREFORE**, Caroline respectfully requests that this Petition be set for hearing, and
23 that after hearing the matters of this Petition, this Court find that notice of the time and place of
24 such hearing has been given in the manner required by law, and that this Court make and enter its

26 ³⁹ NRS § 165.128 defines "current beneficiary" to mean "a distribution beneficiary to whom or for whose benefit a trustee
27 is authorized or required to make distributions of income or principal at any time during an accounting period."

28 ⁴⁰ See NRS § 165.135.

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LAS VEGAS, NEVADA 89129
TELEPHONE (702) 853-5483
FACSIMILE (702) 853-5485
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SOLOMON
DWIGGINS & FREER
TRUST AND ESTATE ATTORNEYS



1 Orders and Decrees pursuant to NRS §153.031(c), (f), (h) and (q); NRS §163.115; NRS
2 §164.005; NRS §164.010; and NRS §164.015, as follows:

3 1. That this Court assume Jurisdiction over the Beatrice B. Davis Family Heritage
4 Trust, dated July 28, 2000, as amended on February 24, 2014, as a proceeding *in rem*;

5 2. That this Court assume Jurisdiction over Christopher D. Davis as the Investment
6 Trust Advisor for the Beatrice B. Davis Family Heritage Trust, dated July 28, 2000, as amended;

7 3. That this Court assume Jurisdiction over Stephen K. Lehnardt as the Distribution
8 Trust Advisor for the Beatrice B. Davis Family Heritage Trust, dated July 28, 2000, as amended;

9 4. That this Court confirm Dunham Trust Company as the Directed Trustee of the
10 Beatrice B. Davis Family Heritage Trust, dated July 28, 2000, as amended;

11 5. That this Court require Christopher D. Davis, as the Investment Trust Advisor of
12 the Beatrice B. Davis Family Heritage Trust, dated July 28, 2000, as amended, and as the sole
13 Member of FHT Holdings, LLC, to disclose any and all documentation and information related
14 to: (a) the Policy loans, including, but not limited to, the identity of any entity, trust or individual
15 who has received and/or benefited from such loans, the purpose of such loans, the circumstances
16 surrounding the distribution and use of such loans, the repayment of such loans (if any), the
17 collateral for such loans, executed promissory notes, etc.; and, (b) FHT Holdings, LLC; and
18

19
20
21 6. For such other and further relief as this Court deems proper.

22 **DATED** this 10th day of February, 2015.

23 SOLOMON DWIGGINS & FREER, LTD.



24 MARK A. SOLOMON, ESQ. (Bar No. 418)
25 JOSHUA M. HOOD, ESQ. (Bar No. 12777)
26 Cheyenne West Professional Center
27 9060 West Cheyenne Avenue
28 Las Vegas, Nevada 89129
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TRUST AND ESTATE ATTORNEYS

[Signature]

VERIFICATION

I, Caroline Davis, declare under penalty of perjury of the State of Nevada:

That I am the Petitioner in the foregoing PETITION TO ASSUME JURISDICTION
OVER THE BEATRICE B. DAVIS FAMILY HERITAGE TRUST, DATED JULY 28,
2000, AS AMENDED ON FEBRUARY 24, 2014; TO ASSUME JURISDICTION OVER
CHRISTOPHER D. DAVIS AS INVESTMENT TRUST ADVISOR AND STEPHEN K.
LEHNARDT AS DISTRIBUTION TRUST ADVISOR; TO CONFIRM DUNHAM TRUST
COMPANY AS DIRECTED TRUSTEE; AND FOR IMMEDIATE DISCLOSURE OF
DOCUMENTS AND INFORMATION FROM CHRISTOPHER D. DAVIS, and know the
contents thereof; that the same is true to my knowledge, except those matters therein contained
stated upon information and belief, and as to such matters, I believe them to be true.

DATED this 9th day of February, 2015.

[Signature]
CAROLINE DAVIS, Petitioner

Exhibit 1

Exhibit 1

This
FAMILY HERITAGE TRUST

prepared for

BEATRICE B. DAVIS

by

Stephen K. Lehnardt
Lehnardt & Lehnardt, LLC
Primary Counsel
20 Westwoods Drive
Liberty, Missouri 64068-3519
Telephone: (816) 407-1400

&

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&

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Kenneth A. Ziskin Law Corporation and Lehnardt & Lehnardt, LLC

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EXHIBIT 10

REGISTER OF ACTIONS

CASE NO. P-15-083867-T

In the Matter of the Trust of: The Beatrice Davis Heritage Trust

§
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§
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§
§

Case Type: Probate - Trust/Conservatorships
Subtype: Individual Trustee
Date Filed: 02/11/2015
Location:
Cross-Reference Case Number: P083867
Supreme Court No.: 68542

PARTY INFORMATION

Petitioner Davis, Caroline
2501 Nob Hill PL N
Seattle, WA 98109

Female

Lead Attorneys
Mark Alan Solomon
Retained
7028535483(W)

Trust The Beatrice Davis Heritage Trust

EVENTS & ORDERS OF THE COURT

09/16/2015 Motion (9:00 AM) (Judicial Officer Sturman, Gloria)
Petition to Stay Discovery until the August 19, 2015 Hearing on Motion for Reconsideration Or in the Alternative, Petition for Protective Order from Discovery By Subpoena

Minutes

09/16/2015 9:00 AM

- PETITION TO STAY DISCOVERY UNTIL THE AUGUST 19, 2015 HEARING ON MOTION FOR RECONSIDERATION OR, IN THE ALTERNATIVE, PETITION FOR PROTECTIVE ORDER FROM DISCOVERY BY SUBPOENA Court noted the Petition to Stay Discovery portion of the motion was withdrawn by counsel and is MOOT. Counsel first argued over whether the subpoena issued to Harriet Roland, counsel for Christopher Davis, breached attorney/client privilege and then the ten individual categories of records being sought. After argument on the issues of in personam jurisdiction over Christopher Davis, client's expectation of confidentiality and privilege, and relevancy, COURT FINDS there is a limited exception to attorney-client privilege when an attorney represents a fiduciary. This limited exception allows a beneficiary to breach the attorney/client privilege. COURT FURTHER FINDS it has in personam jurisdiction over Christopher in his role as trust advisor to the Family Heritage Trust (FHT) and as manager of FHT Holdings, LLC, a Nevada company. As to the specific categories documents were requested from, COURT ORDERED Petition for Protective Order GRANTED IN PART; to the extent documents produced back to the date of Beatrice Davis' incompetence for now, if additional documents are needed prior to that date, the issue can be raised again; produce records listed in all categories of any and all documents related to the FHT and FHT Holdings

under the law firm's control and custody.
COURT FURTHER ORDERED records produced
within thirty (30) days of notice of entry of
order. Any further disputes should be
addressed before the Discovery
Commissioner. Ms. Roland to prepare proposed
Order; Mr. Solomon to review as to form and
content.

Parties Present

Return to Register of Actions

1 **IN THE SUPREME COURT OF THE STATE OF NEVADA**

2
3
4 CHRISTOPHER D. DAVIS,

5 Appellant,

6 v.

7 CAROLINE DAVIS,

8 Respondent.
9

Case No.: 68542
Electronically Filed
Oct 08 2015 09:18 a.m.
Tracie K. Lindeman
Eighth Judicial District Court
Clerk of Supreme Court
Case No.: P-15-083867-T (In re
the Beatrice B. Davis Family
Heritage Trust, dated July 28,
2000)

10
11 **EXHIBITS TO**
12 **EMERGENCY MOTION UNDER NRAP 27(e)**
13 **FOR 1) STAY PENDING APPEAL AND 2) AFFIRMATIVE RELIEF**

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	Davis Family Heritage Trust, Dated July 28, 2000, as Amended on February 24, 2014; to Assume Jurisdiction over Christopher D. Davis as Investment Trust Advisor and Stephen K. Lehnardt as Distribution Trust Advisor; to Confirm Dunham Trust Company as Directed Trustee; and for Immediate Disclosure of Documents and Information from Christopher D. Davis	
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17	Transcript of Proceedings – Wednesday, April 22, 2015	592-650

1 **CERTIFICATE OF SERVICE**

2 I hereby certify that I am an employee of Anthony L. Barney, Ltd., and not
3
4 a party to this action. I further certify that on the 8th day of October, 2015, I
5 served the foregoing **EXHIBITS TO EMERGENCY MOTION UNDER**
6 **NRAP 27(e) FOR 1) STAY PENDING APPEAL AND 2) AFFIRMATIVE**
7 **RELIEF** by first class US mail, postage prepaid, upon the following persons or
8
9 entities or as otherwise noted:
10

11 Cheryl Davis
12 5403 West 134 Terrace, Unit 1525
13 Overland Park, KS 66209

14 Tarja Davis
15 3005 North Beverly Glen Circle
16 Las Angeles, California 90077

17 And
18 514 West 26th Street, #3E
19 Kansas City, Missouri 64108

20 Winfield B. Davis
21 Skyline Terrace Apts.
22 930 Figueroa Terr. Apt. 529
23 Los Angeles, California 90012-3072

24 Ace Davis
25 c/o Winfield B. Davis
26 Skyline Terrace Apts.
27 930 Figueroa Terr. Apt. 529
28 Los Angeles, California 90012-3072

Christopher D. Davis
3005 North Beverly Glen Circle
Los Angeles, California 90077
And

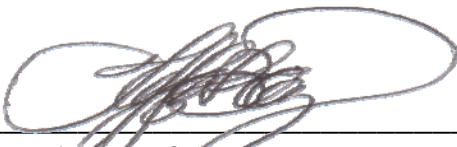
1 514 West 26th Street, #3E
2 Kansas City, Missouri 64108

3 Registered Agent Solutions, Inc.
4 Registered Agent for FHT Holdings, LLC, a Nevada Limited Liability
5 Company
6 4625 West Nevso Drive, Suite 2
7 Las Vegas, Nevada 89103

8 JONATHAN W. BARLOW, ESQ. Via Hand Delivery
9 CLEAR COUNSEL LAW GROUP
10 50 Stephanie Street, Suite 101
11 Henderson, Nevada 89012
12 Jonathan@clearcounsel.com
13 Attorneys for Stephen K. Lenhardt

14 Mark Solomon, Esq. Via Hand Delivery
15 Joshua Hood, Esq.
16 **SOLOMON DWIGGINS & FREER, LTD.**
17 9060 W. Cheyenne Ave.
18 Las Vegas, NV 89129
19 *Attorney for Petitioner Caroline Davis*

20 DUNHAM TRUST COMPANY Via Hand Delivery
21 SHANNA CORESSAL, CTFA
22 c/o Charlene Renwick, Esq.
23 Lee, Hernandez, Landrum & Garofalo
24 7575 Vegas Drive, #150
25 Las Vegas, Nevada 89128

26 
27 Employee of Anthony L. Barney, Ltd.
28