

THE THOMAS C. CLIENT LIVING TRUST

_____, 20____

WEALTH PLANNING PARTNERS, LLC

12004 ROBINWOOD PLACE
OKLAHOMA CITY, OKLAHOMA 73120

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The Thomas C. Client Living Trust

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The Thomas C. Client Living Trust

Article One Establishing My Trust

The date of this trust agreement is _____, 20____. The parties to this agreement are Thomas C. Client, also known as T. C. Client, (the “Grantor”) and Thomas C. Client and Cynthia M. Client (collectively, the “Trustee”).

By this agreement I intend to create a valid trust under the laws of Oklahoma and under the laws of any state in which any trust created under this agreement is administered.

Section 1.01 Identifying My Trust

My trust may be referred to as “Thomas C. Client and Cynthia M. Client, Trustees of the Thomas C. Client Living Trust dated _____, 20____, and any amendments thereto.”

For the purpose of transferring property to my trust, or identifying my trust in any beneficiary or pay-on-death designation, any description referring to my trust shall be effective if it reasonably identifies my trust and indicates that the trust property is held in a fiduciary capacity.

Section 1.02 Reliance by Third Parties on Affidavit or Certification of Trust

From time to time, third parties may require documentation to verify the existence of this agreement, or particular provisions of it, such as the name or names of my Trustee or the powers held by my Trustee. To protect the confidentiality of this agreement, my Trustee may use an affidavit or a certification of trust that identifies my Trustee and sets forth the authority of my Trustee to transact business on behalf of my trust in lieu of providing a copy of this agreement. The affidavit or certification may include pertinent pages from this agreement, such as title or signature pages.

A third party may rely upon an affidavit or certification of trust that is signed by my Trustee with respect to the representations contained in the affidavit or certification of trust. A third party relying upon an affidavit or certification of trust shall be exonerated from any liability for actions the third party takes or fails to take in reliance upon the representations contained in the affidavit or certification of trust. A third party dealing with my Trustee shall not be required to inquire into the terms of this agreement or the authority of my Trustee, or to see to the application that my Trustee makes of funds or other property received by my Trustee.

Section 1.03 Transferring Property to My Trust

Any person or entity may transfer property of any kind, nature and description to my trust in any manner authorized by law.

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(a) Initial Funding of My Trust

By execution of this agreement, I transfer, convey and assign to my Trustee the trust property described on Schedule A, attached to this agreement.

(b) Acceptance by My Trustee

By execution of this agreement, my Trustee accepts and agrees to hold the trust property described on Schedule A. All property transferred to my trust after the date of this agreement must be acceptable to my Trustee. My Trustee may refuse to accept any property. My Trustee shall hold, administer and dispose of all trust property accepted by my Trustee for my benefit and the benefit of my beneficiaries in accordance with the terms of this agreement.

(c) Community Property

Any community property conveyed to my trust, including the income from such property and the proceeds from the sale of such property, shall retain its character as community property during my life and the life of my wife to the same extent as if it had not been conveyed to my trust.

Section 1.04 Powers Reserved by Me as Grantor

During my lifetime, I shall retain the powers set forth in this Section in addition to any powers that I reserve in other provisions of this agreement.

(a) Action on Behalf of My Trust

During any period that I am serving as a Trustee of my trust, I may act for and conduct business on behalf of my trust without the consent of any other Trustee. During any period of time that my wife and I are serving together as Cotrustees, she may make all decisions and exercise all powers and discretions granted to my Trustee under this trust created under this agreement without the consent of any other Trustee.

(b) Amendment, Restatement or Revocation

I have the absolute right, at any time and from time to time, to amend, restate, or revoke any term or provision of this agreement in whole or in part. Any amendment, restatement, or revocation must be in a written instrument signed by me.

(c) Addition or Removal of Trust Property

I have the absolute right, at any time and from time to time, to add to the trust property and to remove any property from my trust.

(d) Control of Income and Principal Distributions

I have the absolute right to control the distribution of income and principal from my trust. My Trustee shall distribute to me, or to such persons or

entities as I may direct, as much of the net income and principal of the trust property as I deem advisable. My Trustee may distribute trust income and principal to me or for my unrestricted use and benefit, even to the exhaustion of all trust property. Any undistributed income shall be added to the principal of my trust.

(e) Approval of Investment Decisions

I reserve the absolute right to review and change my Trustee's investment decisions; however, my Trustee shall not be required to seek my approval before making investment decisions.

Section 1.05 Grantor Trust Status

By reserving the broad rights and powers set forth in Section 1.04 of this Article, I intend to qualify my trust as a "Grantor Trust" under Sections 671 to 677 of the Internal Revenue Code so that, for federal income tax purposes, I will be treated as the owner during my lifetime of all the assets held in my trust as though I held them in my individual capacity.

During any period that my trust is a Grantor Trust, the taxpayer identification number of my trust shall be my Social Security number, in accordance with Treasury Regulation Section 301.6109-1(a)(2).

Article Two

Family Information

I am married to Cynthia M. Client. We were married on August 28, 1976. Any reference in this agreement to “my wife” is a reference to Cynthia M. Client.

I have three children. Their names and dates of birth are:

Peter A. Client, born on February 14, 1978;

Paul B. Client, born on January 20, 1980; and

Mary C. Client, born on March 9, 1985

All references in this agreement to “my children” are references to these children, as well as to any children subsequently born to me or adopted by me in a legal proceeding valid in the jurisdiction (domestic or foreign) in which it occurred.

References to “my descendants” are to my children and their descendants.

Article Three

Trustee Succession Provisions

Section 3.01 Resignation of a Trustee

A Trustee may resign by giving notice to me. If I am deceased, a resigning Trustee shall give notice to the income beneficiaries of the trust and to any other Trustee then serving.

Section 3.02 Trustee Succession During My Lifetime

During my lifetime, this Section shall govern the removal and replacement of my Trustees.

(a) Removal and Replacement by Me

I may remove any Trustee with or without cause at any time. If a Trustee is removed, resigns or cannot continue to serve for any reason, I may serve as sole Trustee, appoint a Trustee to serve with me or appoint a successor Trustee.

(b) During My Incapacity

During any time that I am incapacitated, my wife shall serve as my Trustee. If my wife is unable or unwilling to serve for any reason, then the following, in the order named, shall serve as my successor Trustee:

Peter A. Client; and then

Friendly State Bank and Trust Company

If I am incapacitated, my wife, or if she is also incapacitated or deceased, the person appointed my guardian may remove any Trustee with or without cause.

If I am incapacitated and there is no named successor Trustee, my wife shall appoint an individual or corporate fiduciary to serve as my successor Trustee. If my wife is incapacitated or deceased, the person appointed my guardian shall appoint my successor Trustee.

All appointments, removals and revocations shall be by signed written instrument.

Notice of removal shall be delivered to the Trustee being removed and shall be effective in accordance with the provisions of the notice.

Notice of appointment shall be delivered to and accepted by the successor Trustee and shall become effective at that time. A copy of the notice shall be attached to this agreement.

Section 3.03 Trustee Succession After My Death

After my death, this Section shall govern the removal and replacement of my Trustees.

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(a) Successor Trustee

Upon my death, the following, in the order named, shall serve as my successor Trustee, replacing any then serving Trustee:

Cynthia M. Client; and then

Friendly State Bank and Trust Company

(b) Appointment of Successor Trustees by My Wife

My wife may appoint the current or successor Trustees for any trust created under this agreement. She may amend or revoke any such appointment before the appointment becomes effective, but she may not do so after the appointment becomes effective, except as provided in subsection (c) of this Section 3.03. Any Trustee appointed by my wife to a trust of which she is a beneficiary must be an individual or corporate fiduciary that is not related or subordinate to my wife within the meaning of Section 672(c) of the Internal Revenue Code.

(c) Removal of a Trustee

My wife may remove a Trustee of any trust created under this agreement, with or without cause at any time.

If my wife is unable to act, the primary beneficiary of any trust created under this agreement may remove a Trustee of the trust, with or without cause at any time.

A Trustee may be removed under this subsection only if, on or before the effective date of removal, the person or persons having the right of removal appoints an individual or a corporate fiduciary that simultaneously commences service as Trustee. The Trustee so appointed may not be related or subordinate to the person or persons having the right of removal within the meaning of Section 672(c) of the Internal Revenue Code.

The right to remove a Trustee under this subsection shall not be deemed to grant to the person holding that right any of the powers of that Trustee.

If a beneficiary is a minor or is incapacitated, the parent or legal representative of the beneficiary may act on behalf of the beneficiary.

(d) Default of Designation

If the office of Trustee of a trust created under this agreement is vacant and no designated successor Trustee is able and willing to act as Trustee, my wife shall appoint an individual or corporate fiduciary that is not related or subordinate to the person or persons making the appointment within the meaning of Section 672(c) of the Internal Revenue Code as successor Trustee. If my wife is unable or unwilling to act, the primary beneficiary of the trust shall appoint an individual or corporate fiduciary that is not related or subordinate to the person or persons making the

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appointment within the meaning of Section 672(c) of the Internal Revenue Code as successor Trustee.

Any beneficiary may petition a court of competent jurisdiction to appoint a successor Trustee to fill any vacancy remaining unfilled after a period of 30 days. By making such appointment, the court shall not thereby acquire any jurisdiction over the trust, except to the extent necessary for making the appointment.

If a beneficiary is a minor or is incapacitated, the parent or legal representative of the beneficiary may act on behalf of the beneficiary.

Section 3.04 Notice of Removal and Appointment

Notice of removal shall be in writing and shall be delivered to the Trustee being removed, along with any other Trustees then serving. The notice of removal shall be effective in accordance with its provisions.

Notice of appointment shall be in writing and shall be delivered to the successor Trustee and any other Trustees then serving. The appointment shall become effective at the time of acceptance by the successor Trustee. A copy of the notice shall be attached to this agreement.

Section 3.05 Appointment of a Cotrustee

Any individual Trustee may appoint an individual or a corporate fiduciary as a Cotrustee. A Cotrustee so named shall serve only as long as the Trustee who appointed such Cotrustee serves (or, if such Cotrustee was named by more than one Trustee acting together, by the last to serve of such Trustees), and such Cotrustee shall not become a successor Trustee upon the death, resignation, or incapacity of the Trustee who appointed such Cotrustee, unless so appointed under the terms of this agreement. Although such Cotrustee may exercise all the powers of the appointing Trustee, the combined powers of such Cotrustee and the appointing Trustee shall not exceed the powers of the appointing Trustee alone. The Trustee appointing a Cotrustee may revoke the appointment at any time with or without cause.

Section 3.06 Corporate Fiduciaries

Any corporate fiduciary serving under this agreement as a Trustee must be a bank, trust company, or public charity that is qualified to act as a fiduciary under applicable federal and state law and that is not related or subordinate to any beneficiary within the meaning of Section 672(c) of the Internal Revenue Code.

Section 3.07 Incapacity of a Trustee

If any individual Trustee becomes incapacitated, it shall not be necessary for the incapacitated Trustee to resign as Trustee. For Trustees other than me, a written declaration of incapacity by the Cotrustee, if any, or, if none, by the party designated to succeed the incapacitated Trustee, if made in good faith, will terminate the trusteeship. If the Trustee designated in the written declaration objects, in writing, to termination of the

trusteeship within 10 days of receiving the declaration of incapacity, a written opinion of incapacity signed by a physician who has examined the incapacitated Trustee must be obtained before the trusteeship will be terminated. The Trustee objecting to termination of trusteeship must sign the necessary medical releases needed to obtain the physician's written opinion of incapacity or the trusteeship will be terminated without the physician's written opinion.

Section 3.08 Appointment of Independent Special Trustee

If for any reason the Trustee of any trust created under this agreement is unwilling or unable to act with respect to any trust property or any provision of this agreement, the Trustee shall appoint, in writing, a corporate fiduciary or an individual to serve as an Independent Special Trustee as to such property or with respect to such provision. The Independent Special Trustee appointed shall not be related or subordinate to any beneficiary of the trust within the meaning of Section 672(c) of the Internal Revenue Code.

An Independent Special Trustee shall exercise all fiduciary powers granted by this agreement unless expressly limited elsewhere in this agreement or by the Trustee in the instrument appointing the Independent Special Trustee. An Independent Special Trustee may resign at any time by delivering written notice of resignation to the Trustee. Notice of resignation shall be effective in accordance with the terms of the notice.

Section 3.09 Rights and Obligations of Successor Trustees

Each successor Trustee serving under this agreement, whether corporate or individual, shall have all of the title, rights, powers and privileges granted to the initial Trustees named under this agreement. In addition, each successor Trustee shall be subject to all of the restrictions imposed upon, as well as all obligations and duties, both discretionary and ministerial, given to the initial Trustees named under this agreement.

Article Four

Administration of My Trust During My Incapacity

Section 4.01 Trust Distributions During My Incapacity

During any period of time that I am incapacitated, my Trustee shall administer my trust and distribute its net income and principal as provided in this Section.

(a) Distributions for My Benefit

My Trustee shall regularly and conscientiously make appropriate distributions of trust income and principal for my general welfare and comfort under the circumstances existing at the time such distributions are made.

Distributions under this subsection shall include payments for any of my enforceable legal obligations. My Trustee may also make distributions for the payment of insurance premiums for insurance policies owned by me or by my trust, including but not limited to, life, medical, disability, property and casualty, errors and omissions and long-term health care insurance policies.

The examples included in this subsection are for purposes of illustration only and are not intended to limit the authority of my Trustee to make distributions for my benefit that my Trustee determines to be appropriate.

(b) Manner of Making Distributions

My Trustee may make distributions for my benefit in any one or more of the following ways:

To me, but only to the extent I am able to manage such distributions;

To other persons and entities for my use and benefit;

To my agent or attorney-in-fact authorized to act for me under a legally valid durable power of attorney executed by me prior to my incapacity;

To my guardian or conservator who has assumed responsibility for me under any court order, decree or judgment issued by a court of competent jurisdiction.

(c) Distributions for the Benefit of My Wife or Dependents

My Trustee may distribute as much of the net income and principal of my trust as my Trustee deems necessary for the health, education, maintenance or support of my wife.

My Trustee may also distribute as much of the net income and principal as my Trustee deems necessary for the health, education, maintenance or support of other persons that my Trustee determines to be dependent on me for support.

(d) Guidance for My Trustee Regarding Distributions

When making distributions under subsections (a) and (c), my Trustee shall give consideration first to my needs and the needs of my wife and then to the needs of those persons dependent on me.

When making distributions under subsection (c), I request, but do not require, that my Trustee, in its sole and absolute discretion, consider other income and resources available to the beneficiaries. My Trustee may make unequal distributions, distributions to some but not all beneficiaries or no distributions.

A distribution made to a beneficiary under this Section shall not be considered an advance and shall not be charged against the share of the beneficiary that may be distributable under any other provision of this agreement.

(e) Power to Make Gifts

My Trustee is authorized to make gifts as provided in this subsection.

(1) Continuation of My Gifting

My Trustee is authorized to honor pledges and continue to make gifts to charitable organizations that I have regularly supported in the amounts I have customarily given. My Trustee may make gifts in order to assure the continuation of any gifting program initiated by me prior to the time I became incapacitated.

(2) Gifts Limited to the Annual Exclusion Amount

My Trustee may make gifts on my behalf, limited in amount to the federal annual gift tax exclusion amount, to or for the benefit of any remainder or contingent beneficiary named or described by class in this agreement for purposes my Trustee considers to be in my best interest or in the best interest of the beneficiary, including, without limitation, the minimization of income, estate, inheritance or gift taxes.

(3) Gifts in Excess of the Annual Exclusion Amount

Only an Independent Special Trustee appointed under the provisions of Section 3.08 may make gifts in excess of the annual federal gift tax exclusion.

If my Trustee determines that gifts in amounts in excess of the annual federal gift tax exclusion are in my best interest and the best interests of my beneficiaries, my Trustee, by unanimous vote if more than one Trustee is serving, shall appoint an Independent Special Trustee unrelated by blood or marriage to any Trustee to review the facts and circumstances and to decide whether such gifts should be made. I recommend, but do not require, that my Trustee select an independent certified public accountant, attorney, or corporate fiduciary to serve as the Independent Special Trustee under such circumstances.

Neither my Trustee, nor the Independent Special Trustee appointed by my Trustee, shall be liable to any beneficiary for exercising or failing to exercise its discretion to make gifts.

(4) Gifts for Tuition

My Trustee may prepay the cost of tuition for any remainder or contingent beneficiary named in this agreement. My Trustee shall make such payments directly to the educational institution or by establishing and contributing to a Qualified State Tuition Program established under Section 529 of the Internal Revenue Code.

(5) Gifts for Medical Expenses

My Trustee may pay medical expenses for any remainder or contingent beneficiary named in this agreement as permitted under Section 2503(e) of the Internal Revenue Code. My Trustee shall make such payments directly to the medical provider.

(6) Gift Splitting Authorized

My Trustee is authorized to consent to the splitting of gifts under Section 2513 of the Internal Revenue Code or under similar provisions of any state or local gift tax laws.

(7) Gifts by Interested Trustees Limited to Ascertainable Standards

An Interested Trustee may only make gifts that are necessary for the health, education, maintenance or support of the person to whom gifts are made. The Trustee is not required to consider other income and resources available to the person to whom a gift is made.

(8) Methods of Making Gifts

My Trustee may make gifts of trust property under this subsection outright, in trust or in any other manner that my Trustee, in its sole and absolute discretion, deems appropriate.

By way of example and without limiting my Trustee's powers under this subsection, my Trustee is specifically authorized to make gifts by creating tenancy in common and joint tenancy interests or establishing irrevocable trusts including charitable or non-charitable split interest trusts. My Trustee may make gifts of trust property by establishing and contributing trust property to corporations, family limited partnerships, limited liability partnerships, limited liability companies or other similar entities and by making gifts of interests in any of those entities.

To accomplish the objectives described in this subsection, my Trustee may establish and maintain financial accounts of all types and may execute, acknowledge, seal and deliver deeds, assignments, agreements, authorizations, checks and other instruments. My Trustee may prosecute, defend, submit to arbitration, settle or propose or accept a compromise with respect to a claim existing in favor of or against me based on or involving a gift transaction on my behalf and may intervene in any related action or proceeding.

My Trustee may perform any other act my Trustee considers necessary or desirable to complete a gift on my behalf in accordance with the provisions of this subsection.

(9) Standard for Making Gifts

It is my desire that in making gifts on my behalf, my Trustee consider the history of my gift making and my estate plan. To the extent reasonably possible, I direct my Trustee to avoid disrupting the dispositive provisions of my estate plan as established by me prior to my incapacity.

Article Five

Administration of My Trust Upon My Death

Section 5.01 My Trust Shall Become Irrevocable

Upon my death, my trust shall become irrevocable and my social security number may no longer be used to identify my trust. My Trustee shall apply for a separate taxpayer identification number for my trust.

Section 5.02 Administrative Trust

After my death and prior to the distribution of trust property as provided in the subsequent Articles of this agreement, my trust shall be an administrative trust but may continue to be known as the Thomas C. Client Living Trust. My administrative trust shall exist for a reasonable period of time necessary to complete the administrative tasks set forth in this Article.

Section 5.03 Payment of My Expenses and Taxes

My Trustee is authorized but not directed to pay from the administrative trust:

Expenses of my last illness, funeral and burial or cremation, including expenses of memorials and memorial services;

Legally enforceable claims against me or my estate;

Expenses of administering my trust and my estate; and

Court ordered allowances for those dependent upon me.

These authorized payments are discretionary with my Trustee. My Trustee may make decisions on these payments without regard to any limitation on payment of such expenses imposed by law and may make payments without obtaining the approval of any court. No third party may enforce any claim or right to payment against my trust by virtue of this discretionary authority. My Trustee shall not pay any administrative expenses from assets passing to an organization that qualifies for the federal estate tax charitable deduction or to a split-interest charitable trust or from the net income of property qualifying for the estate tax marital deduction, if such payment would result in a reduction in the estate tax marital deduction available to my estate under Section 2056(b) of the Internal Revenue Code or violate the provisions of Treasury Regulation Section 20.2056(b)-4(d).

My Trustee shall pay death taxes out of the principal of the trust property as provided in Section 5.05. If, however, a probate estate is opened within six months from the date of my death, my Personal Representative shall pay claims, expenses and death taxes from my probate estate to the extent that the cash and readily marketable assets included in my probate estate are sufficient to pay such items unless my Trustee has already paid them.

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Section 5.04 Restrictions on Certain Payments from Qualified Retirement Plans

The “designation date” shall mean September 30 of the calendar year following the calendar year in which my death occurs, or such other date as shall be established by Treasury Regulations or other tax law authority as the final date for determining whether this trust meets the requirements for treatment of the trust’s oldest beneficiary as if he or she had been named directly as beneficiary of any qualified retirement plan payable to this trust.

Notwithstanding any other provision of this agreement or state law to the contrary, my Trustee may not, on or after the “designation date”, distribute to or for the benefit of my estate, any charity or any other non-individual beneficiary any qualified retirement benefit payable to a trust created under this agreement. It is my intent that all such qualified retirement benefits held by or payable to this trust on or after the designation date be distributed to or held for only individual beneficiaries, within the meaning of Section 401(a)(9) of the Internal Revenue Code.

Accordingly I direct that qualified retirement benefits not be used or applied on or after the designation date for payment of my debts, taxes, expenses of administration or other claims against my estate or for payment of estate, inheritance or similar transfer taxes due on account of my death (other than those directly attributable to and the legal obligation of a particular Qualified Retirement Plan). This Section shall not apply to any bequest or expense that is specifically directed to be funded with qualified retirement benefits.

Section 5.05 Payment of Death Taxes

For the purposes of this Article, the term “death taxes” shall refer to any taxes imposed by reason of my death by federal, state or local authorities, including but not limited to estate, inheritance, gift, and direct-skip generation-skipping transfer taxes. For purposes of this Section, death taxes shall not include any additional estate tax imposed by Section 2031(c)(5)(C), Section 2032A(c) or Section 2057(f) of the Internal Revenue Code or any other comparable recapture tax imposed by any taxing authority. Nor shall death taxes include any generation-skipping transfer tax, other than a direct skip generation-skipping transfer tax.

Except as otherwise provided in this Article or elsewhere in this agreement, my Trustee shall provide for payment of all death taxes from the administrative trust without apportionment. My Trustee shall not seek contribution toward or recovery of any such payments from any individual.

(a) Protection of Exempt Property

In no event shall death taxes be allocated to or paid from any assets that are not included in my gross estate for federal estate tax purposes.

(b) Protection of the Marital Deduction

No death taxes shall be paid from or allocated to any property qualifying for the federal estate tax marital deduction.

(c) Protection of the Charitable Deduction

No death taxes shall be allocated to or paid from any assets passing to an organization that qualifies for the federal estate tax charitable deduction, or from any assets passing to a split-interest charitable trust, unless my Trustee has first used all other assets available to my Trustee to pay the taxes.

(d) Property Passing Outside of My Trust

Death taxes imposed with respect to property included in my gross estate for death tax purposes but passing outside of my trust shall be apportioned among the persons and entities benefited in the proportion that the taxable value of the property or interest bears to the total taxable value of all property and interests included in my gross estate for death tax purposes. The values to be used for the apportionment shall be the values as finally determined under federal, state or local law as the case may be.

I direct that any death tax paid as a result of the inclusion in my taxable estate of property held in a qualified terminable interest property “QTIP” trust created for me by my wife be apportioned to and collected from the assets of the QTIP trust as provided in Section 2207A of the Internal Revenue Code.

Section 5.06 No Apportionment Between Current and Future Interests

No interest in income and no estate for years or for life or other temporary interest in any property or trust are subject to apportionment as between the temporary interest and the remainder. The tax on the temporary interest and the tax, if any, on the remainder are chargeable against the corpus of the property or trust subject to the temporary interest and remainder.

Section 5.07 Coordination with My Personal Representative

The following provisions are intended to help facilitate the coordination between my Personal Representative, if any, and my Trustee. These provisions apply even if my Personal Representative and my Trustee are the same person or entity.

(a) Reliance on My Personal Representative

My Trustee may rely upon the written request of my Personal Representative for payments authorized under this Article and the amounts included in such payments without computing the sums involved. If a payment is made under this Article to my Personal Representative, my Trustee shall not have any duty to inquire into the application of the payment.

(b) Receipt of Probate Property

My Trustee may accept or decline any distributions of property tendered to my Trustee by my Personal Representative. As to property deemed

acceptable by my Trustee, my Trustee may accept the property without audit and without obligation to review the records of my Personal Representative.

(c) Purchase of Assets from and Loans to My Probate Estate

My Trustee is authorized to purchase and retain, as an investment for my trust estate, any property that forms a part of my probate estate. My Trustee may make loans, with or without security, to my probate estate. My Trustee shall not be liable for any loss suffered by my trust as a result of the exercise of the powers granted to my Trustee in this subsection.

(d) Discretionary Distributions to My Personal Representative

My Trustee is authorized to distribute to my probate estate, as a beneficiary of this trust, cash or other trust property, including accrued income, to whatever extent my Trustee determines it to be in the best interests of the beneficiaries of my trust.

Section 5.08 Authority to Make Tax Elections

Following my death, I authorize my Trustee to make tax elections as provided in this Section. If, however, a Personal Representative is appointed for my probate estate and as my Personal Representative is the recipient of specific statutorily delegated authority relative to any tax election, the discretionary authority granted my Trustee relative to the tax election shall be subordinate to the statutorily delegated authority.

(a) Tax Elections

My Trustee's authority to make tax elections shall include, but shall not be limited to, the right to choose the alternate valuation date, the right to elect whether to take administration expenses as estate tax deductions or income tax deductions, the right to allocate my unused generation-skipping exemption to all or any portion of the trust property, the right to make special use valuation elections, and the right to defer payment of all or any portion of any taxes.

My Trustee may elect to treat my administrative trust as part of my estate for federal or state income tax purposes or both.

My Trustee may elect to have trust property qualify for the "family owned business deduction" authorized under Section 2057 of the Internal Revenue Code. My Trustee may enter into any agreement on behalf of my trust that is necessary to validly make such election under the Internal Revenue Code.

My Trustee may make equitable adjustments between income and principal on account of any tax elections made by my Trustee.

(b) Qualified Terminable Interest Property

My Trustee may elect to have any trust property qualify for the federal estate tax marital deduction as qualified terminable interest property under Section 2056(b)(7) of the Internal Revenue Code (the “QTIP Election”) and for any state death tax marital deduction under the law of any state (the “state QTIP Election”). My Trustee is not required to make the same election for both federal estate tax purposes and for state death tax purposes. If my Trustee makes a partial QTIP election, my Trustee shall divide the trust on the basis of the fair market value of the assets of the trust at the time of the division.

My Trustee shall be indemnified and held harmless from any loss, claim or damage incurred by it as a result of any action taken by a beneficiary against my Trustee arising out of my Trustee’s decision to make or not make the QTIP election with respect to any portion of the trust property. My Trustee is expressly authorized to use my trust property to pay directly or reimburse itself for any costs or expenses incurred by my Trustee in defending against any legal action, whether threatened or actual, arising under this provision.

My Trustee may make the special election under Section 2652(a)(3) of the Internal Revenue Code to treat all of the trust property of a trust created under this Agreement as to which the QTIP election is made as if the QTIP election with respect to the property had not been made, making me the transferor of such property for purposes of the generation-skipping transfer tax. It is my desire that my Trustee set apart the property to which such election has been made as a separate trust so that the inclusion ratio, as defined in the Internal Revenue Code, of the separate qualified trust is zero.

(c) Allocation of GST Exemption

My Trustee may elect to allocate or not allocate any portion of the available GST exemption under Section 2631 of the Internal Revenue Code, or a counterpart exemption under any applicable state law, to any property of which I am the transferor or deemed transferor for generation-skipping transfer tax purposes, including any property transferred by me during my life as to which I did not make an allocation prior to death. The exercise of such discretion shall be based on the transfers, gift tax returns and other information known to my Trustee, with no requirement that allocations benefit the various transferees or beneficiaries equally, proportionally, or in any other particular manner.

(d) Qualified Conservation Easements

My Trustee may create a qualified conservation easement, as defined in Section 2031(c)(8)(A) of the Internal Revenue Code in any land held by my trust and make the necessary election provided by Section 2031(c)(6).

Section 5.09 Payment of Charitable Bequests

I instruct my Trustee to satisfy all of my charitable gifts and bequests, to the extent possible, from property that constitutes income in respect of a decedent.

Article Six

Disposition of Tangible Personal Property

Section 6.01 Distribution of Tangible Personal Property by Memorandum

I reserve the right to make dispositions of items of tangible personal property by a signed written memorandum executed after I sign this agreement that refers to my trust and lists items of tangible personal property and designates the beneficiary of each item. If I execute a memorandum, the memorandum is to be incorporated by reference into this agreement to the extent permitted by law.

I direct that upon my death, my Trustee distribute the items of tangible personal property listed in the memorandum, together with any insurance policies covering the property and any claims under those policies, as provided in the memorandum. If I leave multiple written memoranda that conflict as to the disposition of any item of tangible personal property, the memorandum with the most recent date will control as to those items that are in conflict.

If the memorandum cannot legally be incorporated by reference, the memorandum will be treated as an amendment to my trust. I request that my Trustee follow my wishes and distribute the items of tangible personal property listed in the memorandum according to its terms.

Section 6.02 Distribution of Remaining Tangible Personal Property

My Trustee will distribute any tangible personal property not disposed of by a written memorandum to my wife, if she survives me. If she does not survive me, my Trustee will distribute the property to my children but not to their descendants, in shares of substantially equal value, to be divided among my children as my children agree. If my Trustee determines that a child is incapable of acting in the child's own best interest, my Trustee will appoint a person to represent the child in the division of the property. If my children are unable to agree upon the division of the property within six months after my death, my Trustee will make the division according to the Trustee's discretion. My Trustee may use a lottery or rotation system or any other method of allocation to determine the order of selection and distribution of the property. As an alternative, my Trustee may sell all or any portion of the property and distribute the net proceeds equally among my living children. My Trustee will not incur any liability to any party for decisions made by my Trustee with respect to the division or sale of my tangible personal property. Any decision made by my Trustee will be final and binding on all beneficiaries.

Section 6.03 Definition of Tangible Personal Property

For purposes of this Article, the term "tangible personal property" includes but is not limited to my household furnishings, appliances and fixtures, works of art, motor vehicles, pictures, collectibles, personal wearing apparel and jewelry, books, sporting goods, and hobby paraphernalia. The term does not include any property that my Trustee,

in its sole and absolute discretion, determines to be part of any business or business interest owned by me or my trust.

If my Trustee receives property to be distributed under this Article from my probate estate or in any other manner after my death, my Trustee will distribute the property in accordance with the terms of this Article. The fact that an item of tangible personal property was not received by my trust until after my death does not diminish the validity of the gift. If property to be distributed under this Article is not part of the trust property upon my death and is not subsequently transferred to my Trustee from my probate estate or in any other manner after my death, then the specific distribution of property made in this Article is null and void, without any legal or binding effect.

Section 6.04 Incidental Expenses and Encumbrances

Until property distributed in accordance with this Article is delivered to the appropriate beneficiary or to the beneficiary's legal representative, my Trustee will pay the reasonable expenses of securing, storing, insuring, packing, transporting, and otherwise caring for the property as an administration expense. Except as otherwise provided in my trust agreement, my Trustee will distribute property under this Article subject to all liens, security interests, and other encumbrances on the property.

Section 6.05 Residuary Distribution

Any tangible personal property not distributed under this or prior Articles of this agreement will be distributed as provided in the Articles that follow.

Article Seven

Creation of Trust Shares Upon My Death

If my wife survives me, my Trustee shall divide the remaining trust property into two separate shares as provided in Section 7.01. One share shall be designated the “Marital Share” and the other share shall be designated the “Non-Marital Share.”

If my wife has predeceased me, my Trustee shall administer the remaining trust property as provided in Article Ten.

Section 7.01 Division of My Trust if My Wife Survives Me

My Trustee shall divide the remaining trust property into the Marital Share and the Non-Marital Share as provided in this Section.

(a) Creation of the Marital Share

My Trustee shall allocate to the Marital Share a fractional share of the remaining trust property calculated as follows:

(1) The Numerator

The numerator of the fraction shall equal the minimum value, assuming the value qualifies for the federal estate tax marital deduction, sufficient to reduce the federal estate tax to the lowest possible amount. In computing the numerator, my Trustee shall take into account my gifts (including gifts treated as made by me) and all deductions, exclusions, credits and reductions in value allowed in computing such tax; provided, however, that any state death tax credit shall be taken into account for this purpose only to the extent that it does not increase the amount of state death taxes payable.

(2) The Denominator

The denominator shall consist of the value of the remaining trust property as finally determined for federal estate tax purposes.

The Marital Share shall carry its *pro rata* share of the income, provided that in no event shall the Marital Share receive less income than that required to be paid to my wife under applicable state law.

My Trustee shall administer the Marital Share as provided in Article Eight.

(b) Creation of the Non-Marital Share

My Trustee shall allocate the balance of the trust property to the Non-Marital Share. My Trustee shall administer the Non-Marital Share as provided in Article Nine.

(c) Funding the Fractional Share

My Trustee shall have complete authority and discretion to satisfy the fractional gift in cash or in kind, or partly in cash and partly in kind, or in undivided interests in property. To the extent that there are insufficient assets qualifying for the federal estate tax marital deduction to fully fund the Marital Share, the amount of the funding to the Marital Share shall be reduced accordingly, and I acknowledge that the amount of funding may be affected by actions of my Trustee and my Personal Representative in making certain tax elections.

The fraction, once calculated as set forth above, shall be fixed and shall not vary with changes in the value of the property subsequent to the valuation date used for federal estate tax purposes. Since the fractional gift is not intended to be a gift of a specified dollar amount or pecuniary in nature, my Trustee shall apply the fraction to the assets of the trust at their actual value on the effective date or dates of allocation so that the actual value of the fractional share of the trust property resulting from the application of such fraction will reflect fluctuations in the value of the trust property. My Trustee may fund the fractional share on a non *pro rata* basis provided that funding is based on the total fair market value of the assets on the date or dates of allocation.

Allocations of assets by my Trustee shall be limited as set forth below.

(1) Ineligible Assets

My Trustee shall not allocate property or the proceeds of any property to the Marital Share that does not qualify for the federal estate tax marital deduction.

(2) Tax Consequences of Certain Allocations

I request that my Trustee always consider the tax consequences of allocating or distributing to the Marital Share any policy of insurance that insures the life of my wife, property subject to the foreign death credit, property on which a tax credit is available, or property that is income in respect of a decedent under the Internal Revenue Code.

(3) My Wife's Interest in Community Property

Any interest my wife has in community property that is or becomes trust property at my death, even though not included in my gross estate for federal estate tax purposes

and not included in the computation for the fractional share, shall be allocated to the Marital Share. My wife shall have the absolute and unrestricted right to withdraw all of the net income and trust principal consisting of her community property.

Section 7.02 Disposition of Property Upon Disclaimer by My Wife

My wife shall have the right within the time and in the manner provided by law to disclaim any portion or all of the property passing to or for her benefit under this agreement. If my wife disclaims any portion of the property that would otherwise be allocated to the Marital Share, my Trustee shall add the disclaimed property to the Non-Marital Share. If my wife disclaims the interest she has in any portion of the Non-Marital Share, my Trustee shall dispose of the disclaimed interest under the provisions of this agreement as though she had predeceased me.

My wife's right to disclaim any portion or all of the property passing to or for her benefit under this agreement shall either be exercised by my wife personally, or by any fiduciary or agent appointed by my wife who is specifically empowered to exercise her right to disclaim by the terms of the appointment, or under applicable law.

Article Eight

The Marital Trust

My Trustee shall hold and administer the Marital Share in a separate trust as provided in this Article. The trust will be referred to as the “Marital Trust.”

Section 8.01 Distributions of Net Income

My Trustee shall distribute all of the net income of the Marital Trust to my wife at least annually during her lifetime. Nothing contained in this agreement shall limit the right of my wife to receive the entire net income of the Marital Trust.

Section 8.02 Distributions of Principal

My Trustee, other than an Interested Trustee, may distribute to my wife as much of the principal of the Marital Trust as such Trustee may determine advisable for any purpose. If there is no Trustee that is not an Interested Trustee, my Trustee shall distribute to my wife as much principal of the Marital Trust as my Trustee determines is necessary or advisable for her health, education, maintenance or support.

My Trustee, in its sole and absolute discretion, may consider the needs of my wife and other income and resources available to my wife.

Section 8.03 Unproductive Property

Upon written request of my wife, my Trustee shall convert any nonproductive property held in the Marital Trust to productive property. In addition, my wife shall have the right to require that any nonproductive property held in any qualified retirement plan, private or commercial annuity, an individual retirement annuity, a pension, profit-sharing plan, stock-bonus plan, stock ownership plan or similar arrangement made payable to the Marital Trust be converted to productive property.

Section 8.04 Qualified Terminable Interest Property

I intend that the Marital Trust property shall constitute qualified terminable interest property for federal and state death tax purposes if and to the extent my Trustee or Personal Representative makes the necessary elections. This agreement shall be interpreted to accomplish such intent.

If my Trustee or Personal Representative elects to have some but not all of the property in the Marital Trust qualify as qualified terminable interest property for federal or for state purposes, the qualified property and the non-qualified property shall be separated into separate shares as necessary, but each share shall be held upon identical terms and conditions as if there had been no division. The separate shares may be invested in a common fund with each share owning a proportionate fractional share of the fund.

Section 8.05 Termination of the Marital Trust at the Death of My Wife

The Marital Trust shall terminate upon the death of my wife.

Thomas C. Client Living Trust

8-1

My Trustee shall administer the balance or remainder of the Marital Trust as provided in Article Ten.

Thomas C. Client Living Trust

8-2

Article Nine

The Family Trust

My Trustee shall hold and administer the Non-Marital Share in a separate trust as provided in this Article. The trust will be referred to as the “Family Trust.”

Section 9.01 Family Trust Beneficiaries

My wife and my descendants shall be the beneficiaries of the Family Trust during my wife’s lifetime. In making distributions under this Article, my Trustee shall give consideration first to the needs of my wife and only thereafter to the needs of my descendants and the remainder beneficiaries.

Section 9.02 Separate Share for Disclaimed Property

To the extent that any property is added to the Family Trust as the result of a qualified disclaimer by my wife, the property shall be held in a separate share of the Family Trust during the lifetime of my wife, and shall be separately administered in accordance with all of the provisions of this Article except that if my wife is serving as Trustee of the Family Trust, she may not exercise or participate in the exercise of discretion with respect to the distribution of income or principal of the separate share of the Family Trust to or for the benefit of a beneficiary, to the extent that the exercise of such discretion is other than for the health, education, maintenance or support of the beneficiary as described under Sections 2041 and 2514 of the Internal Revenue Code.

The sole purpose of maintaining the separate share is to keep the disclaimed property, together with all income from the property that is accumulated in the trust, separate from the other property of the Family Trust over which my wife has a power of appointment and avoid the possible disqualification of an otherwise qualified disclaimer under Section 2518 of the Internal Revenue Code.

Section 9.03 Distribution of Income and Principal

My Trustee, other than an Interested Trustee, may distribute to the Family Trust beneficiaries as much of the income and principal of the Family Trust as such Trustee may determine advisable for any purpose. If there is no Trustee that is not an Interested Trustee, my Trustee shall distribute to the Family Trust beneficiaries as much income and principal as my Trustee determines is necessary or advisable for their health, education, maintenance or support.

Any undistributed net income shall be accumulated and added to principal.

Section 9.04 Guidelines to My Trustee

My wife is the primary beneficiary of the Family Trust. In making discretionary distributions under this Article, my Trustee should bear in mind that my primary concern and objective is to provide for the well-being of my wife and the preservation of principal is not as important as the accomplishment of this objective.

Thomas C. Client Living Trust

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Notwithstanding the designation of my wife as primary beneficiary, my Trustee may make distributions to or for the benefit of one or more of my beneficiaries under this Article based on the priority of distributions set forth in Section 9.01. I request, but do not require, that my Trustee consider the respective needs of my beneficiaries as well as other income and resources available to my beneficiaries. When making distributions from the Family Trust, my Trustee may exclude any of the beneficiaries or may make unequal distributions among them.

A distribution made to a beneficiary under this Article shall not be considered an advance and shall not be charged against the share to which the beneficiary may be entitled under other provisions of this agreement.

Without limiting my Trustee's discretion, I recommend, but do not require, that my Trustee not distribute principal from the Family Trust to my wife until the principal of the Marital Trust is substantially exhausted.

Section 9.05 Termination of the Family Trust

The Family Trust shall terminate upon the death of my wife and my Trustee shall administer the balance or remainder of the Family Trust as provided in Article Ten.

Article Ten

My Descendants' Trusts

Upon the death of the survivor of my wife and me, my Trustee shall administer and distribute my remaining trust property (not distributed under prior Articles of this agreement) under the terms of this Article.

Section 10.01 Division of My Trust Property

My Trustee shall divide my remaining trust property into separate shares for my descendants, *per capita at each generation*.

My Trustee shall administer the share for each of my descendants in a separate trust for the benefit of the descendant as provided in the next Section.

Section 10.02 Administration of Descendants' Trusts

My Trustee shall administer the trust for each descendant as follows:

(a) Distributions of Income and Principal

My Trustee, other than an Interested Trustee, may distribute to the beneficiary as much of the income and principal of the beneficiary's trust as the Trustee, in its sole and absolute discretion, determines advisable for any purpose. If there is no Trustee that is not an Interested Trustee, my Trustee shall distribute to the beneficiary as much income and principal of the beneficiary's trust as my Trustee determines is necessary or advisable for the health, education, maintenance or support of the beneficiary.

Any undistributed net income shall be accumulated and added to principal.

(b) Distribution Upon the Death of the Beneficiary

Subject to the terms of the next paragraph, the beneficiary shall have the testamentary general power to appoint all or any portion of the principal and undistributed income remaining in the beneficiary's trust at the beneficiary's death among one or more persons or entities and the creditors of the beneficiary's estate. The beneficiary shall have the sole and exclusive right to exercise this general power of appointment.

The beneficiary may not exercise this power of appointment to appoint to himself, his estate, his creditors, or creditors of his estate from the "limited share" of the beneficiary's trust. For purposes of this power of appointment, the "limited share" of the beneficiary's trust is that portion of the beneficiary's trust that has an inclusion ratio for generation-skipping transfer tax purposes of zero or which, in the absence of the exercise of the power of appointment, would not constitute a taxable generation-skipping transfer at the beneficiary's death. If the generation-skipping tax does not then apply, the limited share shall be the beneficiary's entire trust.

Insofar as any part of the beneficiary's trust shall not be effectively appointed, my Trustee shall distribute the remaining unappointed balance *per capita at each generation* in trusts to the descendants of the beneficiary. If the beneficiary has no living descendants, my Trustee shall distribute the balance of the trust property *per capita at each generation* in trusts to the descendants of the beneficiary's nearest lineal ancestor who was a descendant of mine or, if no such descendant is then living, *per capita at each generation* in trusts to my descendants. My Trustee shall administer the trusts under the same provisions as the beneficiary's trust.

If I have no living descendants, my Trustee shall distribute the balance of the trust property as provided in Article Eleven.

Article Eleven

Remote Contingent Distribution

If, at any time, there is no person or entity qualified to receive final distribution of my trust estate or any part of it, then my Trustee shall distribute the portion of my trust estate with respect to which the failure of qualified recipients has occurred to those persons who would inherit it had I then died intestate owning the property, as determined and in the proportions provided by the laws of Oklahoma then in effect.

Article Twelve

Administration of Trusts for Underage and Incapacitated Beneficiaries

Section 12.01 Distributions for Underage and Incapacitated Beneficiaries

If under another provision of this agreement any part of the trust property is directed to be distributed outright, or if a distribution is required to be made, to a person when that person has not yet attained the age of 21 years, or at a time when that person is incapacitated and in the opinion of my Trustee is unable to manage the distribution properly, my Trustee may distribute or retain the trust property in any one or more of the following methods described in this Article.

I request, but do not require, that before making a distribution to a beneficiary, my Trustee, to the extent that it is both reasonable and possible, consider the ability the beneficiary demonstrated in managing prior distributions of trust property.

Section 12.02 Methods of Distribution

My Trustee may distribute or retain trust property in any one or more of the following methods for the benefit of any beneficiary subject to the provisions of this Article:

(a) Distribution to Beneficiary

My Trustee may distribute trust property directly to the beneficiary.

(b) Distribution to Guardian or Conservator or Family Member

My Trustee may distribute trust property to the beneficiary's guardian, conservator, parent or a family member or other person who has assumed the responsibility of caring for the beneficiary.

(c) Distribution to Custodian

My Trustee may distribute trust property to any person or entity, including my Trustee, as custodian for the beneficiary under the Uniform Transfers to Minors Act, or similar statute.

(d) Distribution to Other Persons or Entities

My Trustee may distribute trust property to other persons and entities for the use and benefit of the beneficiary.

(e) Distribution to Agent under Durable Power of Attorney

My Trustee may distribute trust property to an agent or attorney-in-fact authorized to act for the beneficiary under a legally valid durable power of attorney executed by the beneficiary prior to the incapacity.

(f) Retention in Trust

My Trustee may retain trust property in a separate trust for the benefit of the beneficiary until the beneficiary attains 21 years of age or, in the opinion of my Trustee, is no longer incapacitated (as the case may be).

My Trustee shall distribute as much of the net income and principal of any trust created under this subsection that my Trustee deems necessary or advisable for the health, education, maintenance or support of the beneficiary for whom the trust was created. My Trustee shall accumulate any undistributed net income and add such income to principal.

When the beneficiary for whom a trust is created under this subsection attains 21 years of age or is no longer incapacitated (as the case may be), the beneficiary may withdraw from the trust at any time or times any portion or all of the accumulated trust income and principal.

The beneficiary for whom a trust is created under this subsection shall have the testamentary general power to appoint all or any portion of the principal and undistributed income remaining in the beneficiary's trust at his or her death among one or more persons or entities, including the creditors of the beneficiary's estate. The beneficiary shall have the sole and exclusive right to exercise this general power of appointment.

I intend that this testamentary power of appointment be a general power of appointment as defined in Section 2041 of the Internal Revenue Code.

If the beneficiary fails to validly exercise this testamentary general power of appointment, my Trustee shall distribute the balance of his or her trust property to the then living descendants of the beneficiary, *per capita at each generation*.

If the beneficiary has no then living descendants, my Trustee shall distribute the beneficiary's remaining trust property *per capita at each generation* to the living descendants of the beneficiary's nearest lineal ancestor who was my descendant or if no such descendant is then living, to my then living descendants, *per capita at each generation*.

If I have no then living descendants, my Trustee shall distribute the remaining trust property as provided in Article Eleven.

Section 12.03 Application of Article

Any decision made by my Trustee under this Article shall be final, controlling and binding upon all beneficiaries subject to the provisions of this Article.

The provisions of this Article shall not apply to distributions to me or to my wife from any trust established under this agreement.

Further, the provisions of this Article shall not apply to distributions that are required to be made to a beneficiary pursuant to the provisions of Section 13.01.

Article Thirteen

Retirement Plans and Life Insurance Policies

The provisions of this Article apply to qualified retirement plans and insurance policies owned by or made payable to my trust.

Section 13.01 Retirement Plans

Notwithstanding any other provision of this agreement to the contrary, the provisions of this Section apply to qualified retirement plans.

(a) Rights of My Trustee

Subject to the provisions below pertaining to distributions from qualified retirement plans, my Trustee may exercise the right to determine the manner and timing of payments (by lump sum or otherwise) of qualified retirement plan benefits that are permitted under qualified retirement plans and are consistent with the federal income tax rules regarding required minimum distributions under Section 401(a)(9) of the Internal Revenue Code.

My Trustee may make a qualified disclaimer of any qualified retirement benefits or non-qualified annuity benefits payable to my trust.

My Trustee shall not be liable to any beneficiary for the death benefit election selected or for any decision regarding the disclaimer of any qualified retirement benefits payable to my trust.

My Trustee may not change or designate beneficiaries under any retirement plan. Any power extended to my Trustee under the terms of a retirement plan that purports to give my Trustee the power to change the identity or rights of any beneficiaries under the plan is deemed to be void *ab initio*.

(b) Distributions from Qualified Retirement Plans to the Marital Trust

If the Marital Trust becomes the beneficiary of death benefits under any qualified retirement plan, each year, beginning with the year of my death, my Trustee must withdraw at least the greater of:

The net income earned on Marital Trust's share of the plan during the year; and

The required minimum distribution required to be withdrawn from Marital Trust's share of the plan under Section 401(a)(9) of the Internal Revenue Code.

My Trustee may withdraw additional amounts from Marital Trust's share of the plan as my Trustee deems advisable; but only if the dispositive

terms of the trust authorize my Trustee to immediately distribute the withdrawn amount as provided in this subsection. My Trustee shall immediately distribute all amounts withdrawn to my wife.

If my wife is then deceased, my Trustee shall instead distribute to the remainder beneficiary, the amount which would have been distributed to my wife had she then been living.

The purpose of this subsection is to insure that the life expectancy of my wife may be used to calculate the minimum distributions required by the Internal Revenue Code and this Section shall be interpreted consistent with this intent despite any direction to the contrary in this agreement.

Notwithstanding any other provision of this agreement, my Trustee shall treat annuity and other periodic payments from any qualified retirement plans in any given year as income to the extent the distribution represents income generated and treated as generated by any qualified retirement plan for that year; if income information is not available then my Trustee shall apportion the annuity and other periodic payments between principal and income in a fair, equitable and practical manner in accordance with Section 14.10.

(c) Distributions from Qualified Retirement Plans to Trusts other than the Marital Trust

Unless specifically stated otherwise, each year, beginning with the year of my death, if any trust created under this agreement other than the Marital Trust becomes the beneficiary of death benefits under any qualified retirement plan, my Trustee shall withdraw from the trust's share of the plan, in each year, the required minimum distribution required under Section 401(a)(9) of the Internal Revenue Code. My Trustee may withdraw additional amounts from the trust's share of the plan as my Trustee deems advisable; but, only if the dispositive terms of the trust authorize my Trustee to immediately distribute the withdrawn amount as provided in this subsection.

My Trustee shall immediately distribute all amounts withdrawn to:

My wife, if a beneficiary of the trust; and

If my wife is not a beneficiary of the trust, to my descendants, *per capita at each generation*, who are beneficiaries of the trust; and

If my wife is not a beneficiary of the trust and no descendant of mine is a beneficiary of the trust, then to the income beneficiaries of the trust in equal shares.

Amounts required to be withdrawn and distributed under this subsection shall, to the extent they are withdrawn and distributed, reduce mandatory

distribution amounts under other provisions of this agreement that otherwise require distribution of all of the income of the trust.

The purpose of this Section is to insure that the life expectancy of the beneficiaries of the trust may be used to calculate the minimum distributions required by the Internal Revenue Code. This subsection shall be interpreted consistent with my intent despite any direction to the contrary in this agreement.

(d) Minimum Required Distribution

In administering my trust, the minimum required distribution for any year shall be, for each qualified retirement plan, the greater of (1) the value of the qualified retirement plan determined as of the preceding year-end, divided by the applicable distribution period; and (2) the amount that my Trustee shall be required to withdraw under the laws then applicable to the trust to avoid penalty.

If I die before my required beginning date with respect to a qualified retirement plan, the applicable distribution period means the life expectancy of the beneficiary. If I die on or after my required beginning date with respect to a qualified retirement plan, the applicable distribution period means the life expectancy of the beneficiary, or (if longer) my remaining life expectancy.

Notwithstanding the foregoing, if I die on or after my required beginning date with respect to a qualified retirement plan, the minimum required distribution for the year of my death shall mean (a) the amount that was required to be distributed to me with respect to the qualified retirement plan during the year, minus (b) amounts actually distributed to me with respect to the qualified retirement plan during the year.

“Life expectancy,” “required beginning date” and other similar terms used in this subsection, shall be determined in accordance with Section 401(a)(9) of the Internal Revenue Code.

Section 13.02 Life Insurance Policies

The following provisions apply to life insurance policies owned by or made payable to my trust.

(a) Provisions During My Life

During my life, I reserve all of the rights, powers, privileges, and options, with respect to any insurance policy, annuity or any other third-party beneficiary contract owned by or made payable to my trust, including, but not limited to, the right to designate and change beneficiaries, the right to borrow money, the right to surrender the policy, the right to receive any payments as owner, and the right to make any available elections.

My Trustee shall have no duty to exercise, or refrain from exercising, any rights, powers, privileges or options with respect to any insurance policy, annuity contract or other third-party beneficiary contract. My Trustee shall have no obligation to pay premiums or other contractual amounts that may be payable under any such policy.

(b) Provisions After My Death

After my death, my Trustee may make all appropriate elections with respect to such policies and may collect all sums made payable to my trust or my Trustee under all such policies or contracts.

My Trustee may exercise any settlement options or other options or rights that may be available under the terms of any policy or contract. My Trustee shall not be liable to any beneficiary on account of any election made by my Trustee with respect to any policy or contract.

Section 13.03 Limitation on Liability of Payor

Persons or entities dealing in good faith with my Trustee shall not be required to see to the proper application of proceeds delivered to my Trustee, or to inquire into any provision of this agreement.

A receipt signed by my Trustee for any proceeds or benefits paid shall be a sufficient discharge to the person or entity making the payment.

Section 13.04 Collection Efforts

My Trustee shall make reasonable efforts to collect the proceeds of all life insurance policies and qualified retirement benefits payable to my trust.

My Trustee may commence legal or administrative proceedings to collect the proceeds of any life insurance policy or qualified retirement benefits to which the trust is entitled; provided, however, that my Trustee need not commence any such proceedings until my Trustee is indemnified to its satisfaction for any expenses and liabilities it may incur in connection with the proceeding.

My Trustee may settle or compromise any and all claims with respect to the collection of any life insurance proceeds or qualified retirement benefits to which my trust may be entitled. A settlement made by my Trustee shall be binding on all beneficiaries.

Section 13.05 No Obligation to Purchase or Maintain Benefits

Nothing in this agreement shall impose any obligation, legal or otherwise, on me or on my Trustee to purchase, invest, or maintain any qualified retirement plan or life insurance policy.

Article Fourteen

Trust Administration

The terms of this trust agreement prevail over any provision of Oklahoma law, except those provisions that are mandatory and may not be waived.

Section 14.01 Distributions to Beneficiaries

Whenever this agreement authorizes or directs a Trustee to make a distribution of net income or principal to a beneficiary, the Trustee may apply for the benefit of the beneficiary any property that otherwise could be distributed directly to the beneficiary. The Trustee shall have no responsibility to inquire into the beneficiary's ultimate disposition of the distributed property unless specifically directed otherwise by this agreement.

The Trustee may make distributions in cash or in kind, or partly in each, in proportions and at values determined by the Trustee. The Trustee may allocate undivided interests in specific assets to a beneficiary or trust in any proportion or manner that the Trustee determines, even though the property allocated to one beneficiary may be different from that allocated to another beneficiary.

The Trustee may make these determinations without regard to the income tax attributes of the property and without the consent of any beneficiary.

Section 14.02 Mandatory Payments of a Pecuniary Amount

Notwithstanding any provision of this agreement to the contrary, if a person holds the current right to receive a mandatory (i.e., nondiscretionary and noncontingent) payment of a pecuniary amount at my death from my trust, the following shall apply:

- (A) My Trustee shall pay appropriate interest (as defined in section 26.2642-2(b)(4)(i) and (ii) of the Treasury Regulations) to the person; and
- (B) If the pecuniary amount is payable in kind on the basis of value other than the date of distribution value of the assets, my Trustee shall allocate assets to the pecuniary payment in a manner that fairly reflects net appreciation or depreciation in the value of the assets in the fund available to pay the pecuniary amount measured from the valuation date to the date of payment.

Section 14.03 No Court Proceedings

This trust shall be administered expeditiously, consistent with the provisions of this agreement, free of judicial intervention, and without order, approval or action of any court. The trust shall be subject to the jurisdiction of a court only if my Trustee or another interested party institutes a legal proceeding. A proceeding to seek instructions or a court determination shall be initiated in the court having original jurisdiction over

matters relating to the construction and administration of trusts. Seeking instructions or a court determination shall not subject this trust to the continuing jurisdiction of the court.

Section 14.04 No Bond

My Trustee is not required to furnish any bond for the faithful performance of my Trustee's duties, unless required by a court of competent jurisdiction and only if the court finds that a bond is needed to protect the interests of the beneficiaries. No surety will be required on any bond required by any law or rule of court, unless the court specifies that a surety is necessary.

Section 14.05 Trustee Indemnification

This Section 14.05 only applies to a Trustee who is a beneficiary's parent, child, grandparent, grandchild, parent's child, or grandparent's child.

A Trustee or former Trustee shall be entitled to reimbursement from the trust estate for any and all expenses, including, but not limited to, reimbursement for attorney's fees and costs of litigation, reasonably incurred as a result of the Trustee's good faith actions or omissions to act on behalf of the Trust. A Trustee shall be deemed to have acted in good faith if the Trustee reasonably believed the act or omission to act was within the scope of the Trustee's authority and in the best interests of the beneficiaries of the trust.

Section 14.06 Trustee Exoneration

No successor Trustee is obligated to examine the accounts, records or actions of any previous Trustee or of the Personal Representative of my estate. No successor Trustee shall be in any way or manner responsible for any act or omission to act on the part of any previous Trustee or the Personal Representative of my estate.

Unless a Trustee has received notice of removal, the Trustee shall not be liable to me or to any beneficiary for the consequences of any action taken by the Trustee that would have been, but for the prior removal of the Trustee, a proper exercise by the Trustee of the authority granted to the Trustee under this agreement.

Any Trustee may request and obtain from the beneficiaries or from their legal representatives, agreements in writing releasing the Trustee from any liability that may have arisen from the Trustee's acts or omissions to act and indemnifying the Trustee from liability for the acts or omissions. An agreement described in this paragraph, if acquired from all the living beneficiaries of the trust or from their legal representatives, shall be conclusive and binding upon all parties, born or unborn, who may have, or may in the future acquire, an interest in the trust.

The Trustee may require a refunding agreement before making any distribution or allocation of trust income or principal and may withhold distribution or allocation pending determination or release of a tax lien or other lien. This refunding agreement provision shall not apply to any distribution that qualifies for the federal estate tax unlimited marital deduction or the federal estate tax charitable deduction.

Section 14.07 Trustee Compensation

An individual serving as Trustee, other than my wife or me, shall be entitled to fair and reasonable compensation for the services rendered as a fiduciary. A corporate fiduciary serving as Trustee shall be compensated by agreement with an individual Trustee or, in the absence of an individual Trustee or in the absence of an agreement, in accordance with the corporate fiduciary's published schedule of fees in effect at the time the services are rendered.

A Trustee may charge additional fees for services it provides that are not comprised within its duties as Trustee such as fees for legal services, tax return preparation and corporate finance or investment banking services.

In addition to receiving compensation, a Trustee may be reimbursed for reasonable costs and expenses incurred in carrying out its duties under this agreement.

Section 14.08 Employment of Professionals

My Trustee may appoint, employ and remove, at any time and from time to time, investment advisors, accountants, auditors, depositories, custodians, brokers, consultants, attorneys, expert advisers, agents, and employees to advise or assist the Trustee in the performance of its duties. My Trustee may act upon the recommendations of the persons or entities employed with or without independent investigation.

My Trustee may reasonably compensate an individual or entity employed to assist or advise my Trustee regardless of whether the person or entity shall be a Trustee of a trust established under this agreement or a corporate affiliate of a Trustee and regardless of whether the entity shall be one in which a Trustee of a trust created under this agreement is a partner, member, stockholder, officer, director or corporate affiliate or has any other interest.

My Trustee may pay the usual compensation for services contracted for under this Section out of principal or income of the trust as my Trustee may deem advisable. My Trustee may pay compensation to an individual or entity employed to assist or advise my Trustee without diminution of or charging the same against the compensation to which the Trustee is entitled under this agreement. Any Trustee who shall be a partner, stockholder, officer, director or corporate affiliate in any entity employed to assist or advise my Trustee shall nonetheless receive the Trustee's share of the compensation paid to the entity.

Section 14.09 Exercise of Testamentary Power of Appointment

A testamentary power of appointment granted under this agreement may be exercised by a valid will or revocable living trust that specifically refers to the power of appointment. The holder of a testamentary power of appointment may exercise the power to appoint property among the permissible appointees in equal or unequal proportions, and on such terms and conditions, whether outright or in trust, as the holder of the power designates. The holder of a testamentary power of appointment may grant further powers of

appointment to any person to whom principal may be appointed, including a presently exercisable limited or general power of appointment.

My Trustee may conclusively presume that any power of appointment granted to any beneficiary of a trust created under this agreement has not been exercised by the beneficiary if my Trustee has no knowledge of the existence of a valid will or revocable living trust exercising the power within 3 months after the beneficiary's death.

Section 14.10 Determination of Principal and Income

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

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

Notwithstanding the foregoing or Oklahoma law to the contrary, my Trustee shall treat distributions from any qualified retirement accounts to any trust established under this agreement in any given year as income to the extent the distribution represents income generated or treated as generated by any qualified retirement account for that year.

In addition, my Trustee shall treat annuity and other periodic payments to any trust established under this agreement in any given year as income to the extent the distribution represents income generated and treated as generated by the annuity or other periodic payment for that year; if income information is not available, then my Trustee shall apportion the annuity and other periodic payments between principal and income in a fair, equitable and practical manner in accordance with the guidelines set forth in this Section. "Annuity and other periodic payments" refers to distributions made to my Trustee over a fixed number of years or during the life of one or more individuals because of services rendered or property transferred to the payor in exchange for future payments and includes payments made in money or property from the payor's general assets or from a separate fund created by the payor, including a private or commercial annuity, an individual retirement annuity, a pension, profit-sharing plan, stock-bonus plan, stock ownership plan or similar arrangement.

1. To the extent an annuity or other periodic payment is characterized as interest, dividend or other item of income or an annuity or other periodic payment is made in lieu of interest, dividend or other item of income; my Trustee shall allocate the payment to income. My Trustee shall allocate to principal the balance of the annuity or other periodic payment as well as any other payment received in the same accounting period that is not characterized as interest, dividend or other item of income.
2. To the extent annuity and other periodic payments are made and no part of the payments are characterized as interest, dividend or other item of income, my Trustee shall use the present value of the annuity and other

periodic payments as finally determined for federal estate tax purposes and the Section 7520 rate of the Internal Revenue Code used to determine the value for federal estate tax purposes to prepare an annuitization table to allocate the payments between income and principal.

3. In the event that the amount of annuity and other periodic payments change because of changes in the investment markets or other changes, my Trustee shall allocate the change in the amount of the payments between income and principal in a fair, equitable and practical manner.

If, to obtain an estate tax marital deduction for a trust established under this agreement, my Trustee must allocate more of a payment to income than provided for by this section, my Trustee shall allocate to income the additional amount necessary to obtain the marital deduction.

Section 14.11 Trust Accounting

Except to the extent required by law, my Trustee is not required to file accountings in any jurisdiction.

During my lifetime and as long as I am not incapacitated, my Trustee is not required to render an accounting to any person. If I am incapacitated then my Trustee must render an accounting to my wife at least annually, unless waived by my wife. If my wife is not living, then my Trustee must render an accounting to my legal representative at least annually, unless waived by my legal representative.

After my death, upon the written request of a Qualified Beneficiary, my Trustee must render an accounting to the Qualified Beneficiaries of that trust during the accounting period that includes the date of the written request.

The accounting must include the receipts, expenditures, and distributions from the trust for which the accounting is filed occurring during the accounting period. If a tax return is filed for a trust during a period for which a trust accounting is made, my Trustee's accounting must include a copy of that tax return. If there is no tax return filed for the accounting period, my Trustee's accounting must include a balance sheet itemizing the trust property and my Trustee's reasonable estimation of the value of the assets held in the trust as of the date the accounting is completed.

In the absence of fraud or manifest error, the assent by all Qualified Beneficiaries to a Trustee's accounting will make the matters disclosed in the accounting binding and conclusive upon all persons, including those living on the date of this agreement and those to be born in the future who have, or will in the future have, a vested or contingent interest in the trust property. In the case of a Qualified Beneficiary who is a minor or who is incapacitated, that beneficiary's natural guardian or legal representative may give the assent required under this Section.

Section 14.12 Information to Beneficiaries

My privacy, and my beneficiaries' privacy, is important to me. This section establishes my Trustee's duties to inform, account, and report to beneficiaries of various trusts

created under this agreement, and to other individuals during my lifetime and after my death. Except to the extent required by law, my Trustee is not required to comply with a request to furnish a copy of this trust agreement to a Qualified Beneficiary at any time, and my Trustee is not required to send annual reports or reports upon termination of the trust to any Permissible Distributee or Qualified Beneficiary who requests the report. If my Trustee decides, in my Trustee's sole and absolute discretion, to provide any information to a Permissible Distributee or Qualified Beneficiary, my Trustee may exclude any information that my Trustee determines is not directly applicable to the beneficiary receiving the information. Any decision by my Trustee to make information available to any beneficiary does not constitute an obligation to provide any information to any beneficiary in the future.

(a) Providing Information while I am Alive and Not Incapacitated

I waive all duties of my Trustee to give notice, information, and reports to any Qualified Beneficiaries other than me so long as I am alive and able to effectively manage my financial resources. My Trustee is not required to keep Qualified Beneficiaries of any trust created under this agreement other than me informed of the administration of my trust in any manner. Further, my Trustee is not required to respond to any request for information related to the administration of the trust from anyone who is not a Qualified Beneficiary, other than me.

(b) Providing Information if I am Alive but Incapacitated, and After My Death

During any period that I am alive but incapacitated, and after my death, my Trustee will deliver any notice, information, or reports which would otherwise be required to be delivered to me or to a Qualified Beneficiary to a person designated by my Trustee. To preserve my privacy and the privacy of Qualified Beneficiaries under my trust agreement, while I am alive I request that my Trustee not provide any copies of my trust agreement or any other information which may otherwise be required to be distributed to any beneficiary under Oklahoma law to any beneficiary to whom the information is not directly relevant. The designated person may, in his or her sole and absolute discretion, and without waiver, distribute copies of all or any part of my trust agreement or other relevant information about my trust to one or more Qualified Beneficiaries or other interested parties during any period that I am incapacitated.

Section 14.13 Action of Trustees; Disclaimer

Unless otherwise provided in this agreement, whenever I am serving as Trustee, I may make all decisions and exercise all powers and discretions granted to my Trustee under this agreement without the consent of any other Trustee. Whenever my wife and I are serving together as Cotrustees, she may make all decisions and exercise all powers and

discretions granted to my Trustee under this trust created under this agreement without the consent of any other Trustee.

When I am not serving as a Trustee, if two Trustees are eligible to act with respect to a given matter, the concurrence of both shall be required for action to be taken; if more than two Trustees are eligible to act with respect to a given matter, the concurrence of a majority of my Trustees shall be required for action to be taken.

A nonconcurring Trustee may dissent or abstain from a decision of the majority. A Trustee shall be absolved from personal liability by registering its dissent or abstention in the records of the trust. After doing so, the dissenting Trustee shall then act with my other Trustees in any way necessary or appropriate to effectuate the decision of the majority.

Notwithstanding any provision of this agreement to the contrary, any Trustee may disclaim or release, in whole or in part, by an instrument in writing, any power it holds as Trustee, irrevocably or for any period of time that the Trustee may specify. The Trustee may make the relinquishment of a power personal to the Trustee or may relinquish the power for all subsequent Trustees.

Section 14.14 Delegation of Trustee Authority; Power of Attorney

Subject to the limitations set forth in Section 15.22, any Trustee may, by an instrument in writing, delegate to any other Trustee the right to exercise any power (including a discretionary power) granted my Trustee in this agreement. During the time a delegation under this Section is in effect, the Trustee to whom the delegation was made may exercise the power to the same extent as if the delegating Trustee had personally joined in the exercise of the power. The delegating Trustee may revoke the delegation at any time by giving written notice of revocation to the Trustee to whom the power was delegated.

Unless a Trustee elects otherwise in a written instrument delivered to the other Trustees, whenever I am not serving as a Trustee, if two or more Trustees are serving, any one Trustee may sign any checks, agreements or other documents on behalf of the trust with the same force and effect as if all Trustees had signed. Persons dealing with the signing Trustee in good faith may rely upon the signing Trustee's authority to act on behalf of the trust without inquiry as to the other Trustees' acquiescence to such action.

My Trustee may execute and deliver a revocable or irrevocable power of attorney granting any individual or entity the power to transact any and all business on behalf of my trust or any other trust created under this agreement. The power of attorney may grant to the attorney-in-fact all of the rights, powers, and discretion that my Trustee is entitled to exercise under this agreement.

Section 14.15 Additions to Separate Trusts

If upon my death, or upon the termination of any trust created under this agreement, a final distribution is to be made to a person who is or is named as the primary beneficiary of another trust created or provided for under this agreement, and there is no specific indication whether the distribution is to be made in trust or outright, free of trust, my

Trustee shall make the distribution to the second trust instead of distributing the property to the beneficiary outright. For purposes of administration, my Trustee shall treat the distribution as though it had been an original part of the second trust.

Section 14.16 Authority to Merge or Sever Trusts

My Trustee may merge and consolidate a trust created under this agreement with any other trust, if the two trusts contain substantially the same terms for the same beneficiaries and at least one Trustee in common.

My Trustee may administer the merged and consolidated trust as a single trust or unit. If, however, a merger or consolidation does not appear feasible, my Trustee may consolidate the assets of the trusts for purposes of investment and trust administration while retaining separate records and accounts for each respective trust.

My Trustee may sever any trust on a fractional basis into two or more separate and identical trusts or may segregate a specific amount or asset from the trust property by allocation to a separate account or trust. The separate trusts may be funded on a non *pro rata* basis provided that funding is based on the total fair market value of the assets on the date of funding. Income earned on a segregated amount or specific asset after the segregation passes with the amount or asset segregated. My Trustee shall hold and administer each separate trust upon terms and conditions substantially identical to those of the trust from which it was severed.

Subject to the terms of the trust, my Trustee may consider differences in federal tax attributes and other pertinent factors in administering the trust property of any separate account or trust, in making applicable tax elections, and in making distributions. A separate trust created by severance must be treated as a separate trust for all purposes from the date on which the severance is effective; however, the effective date of severance may be retroactive to a date before the date on which my Trustee exercises the power.

Section 14.17 Authority to Terminate Trusts

If, at any time, my Trustee, other than an Interested Trustee, in its sole and absolute discretion, determines that a trust created under this agreement is no longer economical or is otherwise inadvisable to administer as a trust, or if my Trustee, other than an Interested Trustee, deems it to be in the best interest of my beneficiaries, my Trustee, without further responsibility, may terminate the trust and distribute the trust property, including any undistributed net income, in the following order of priority:

To me, if I am then living;

If I am not then living, to my wife, if then a beneficiary of the trust;

If I am not then living and my wife is not then a beneficiary of the trust, to the beneficiaries then entitled to mandatory distributions of net income of the trust and in the same proportions; and

If none of the beneficiaries are entitled to mandatory distributions of net income, to the beneficiaries then eligible to receive discretionary

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distributions of net income of the trust, in such amounts and shares as my Trustee, other than an Interested Trustee, may determine.

Section 14.18 Merger of Corporate Fiduciary

If any corporate fiduciary acting as my Trustee under this agreement is merged with or transfers substantially all of its trust assets to another corporation or if a corporate fiduciary changes its name, the successor shall automatically succeed to the trusteeship as if originally named a Trustee. No document of acceptance of trusteeship shall be required.

Section 14.19 Beneficiary's Status

Until a Trustee receives notice of the incapacity, birth, marriage, death or other event upon which a beneficiary's right to receive payments may depend, the Trustee shall not be liable for acting or failing to act with respect to the event or for disbursements made in good faith to persons whose interest may have been affected by such event. Unless otherwise provided in this agreement, the parent or legal representative may act on behalf of a beneficiary who is a minor or is incapacitated.

A Trustee may rely on any information provided by a beneficiary with respect to the beneficiary's assets and income. A Trustee shall have no independent duty to investigate the status of any beneficiary and shall not incur any liability for failure to do so.

Section 14.20 Discharge of Third Persons

Persons dealing in good faith with my Trustee shall not be required to see to the proper application of money paid or property delivered to my Trustee, or to inquire into the authority of my Trustee as to any transaction. The receipt from my Trustee for any money or property paid, transferred or delivered to my Trustee shall be a sufficient discharge to the person or persons paying, transferring or delivering the money or property from all liability in connection with its application.

Section 14.21 Certificate by Trustee

A written statement of my Trustee may always be relied upon by, and shall always be conclusive evidence in favor of, any transfer agent or any other person dealing in good faith with my Trustee in reliance upon the statement.

Section 14.22 Funeral and Other Expenses of Beneficiary

Upon the death of an income beneficiary, my Trustee may pay from trust property the funeral expenses, burial or cremation expenses, enforceable debts and other expenses incurred due to the death of the beneficiary. This Section shall only apply to the extent the income beneficiary has not exercised any testamentary power of appointment granted to him or her under this agreement.

My Trustee may rely upon any request by the Personal Representative or members of the family of the deceased beneficiary for payment without verifying the validity or the amounts and without being required to see to the application of the amounts so paid. My

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Trustee may make decisions under this Section without regard to any limitation on payment of expenses imposed by statute or rule of court and may be made without obtaining the approval of any court having jurisdiction over the administration of the deceased beneficiary's estate.

Section 14.23 Marital Deduction Qualification

I intend that the marital gift as described in Article Seven of this agreement qualify for the federal estate tax marital deduction, and the provisions of this agreement shall be construed to reflect this intent. To the extent that giving effect to a provision of this agreement would result in the marital gift not qualifying for the federal estate tax unlimited marital deduction, that provision shall be ineffective except to the extent my Trustee or Personal Representative elects that all or a portion of the marital gift not qualify for the unlimited marital deduction.

Section 14.24 Power to Divide Trusts for Generation-Skipping Transfer Tax Purposes

If a trust created under this agreement would be partially exempt from generation-skipping transfer tax after the allocation of my available GST exemption as defined in Section 2631 of the Internal Revenue Code then my Trustee may divide the property of the trust into two separate trusts as specified in this Section so that the allocation of GST exemption can be made to a trust that will be entirely exempt from generation-skipping transfer tax (the "exempt trust").

(a) Creation of the Exempt and Nonexempt Trusts

The exempt trust will consist of the largest fractional share of the total trust assets that will permit the exempt trust to be entirely exempt from generation-skipping transfer tax. The "nonexempt trust" will consist of the balance of the total trust assets. For purposes of computing the fractional share, asset values as finally determined for federal estate tax purposes will be used. The fraction will be applied to the assets at their actual value on the effective date or dates of distribution so that the actual value of the fractional share resulting from the application of the fraction will include fluctuations in the value of the trust property. The trusts created under this Section will have the same terms as the original trust. I request, but do not require, that to the extent possible, the value of any Roth IRAs payable to my trust be allocated to the exempt trust.

(b) Expression of My Intent

In dividing my trust into exempt and nonexempt trusts, I intend to minimize the impact of generation-skipping transfer tax to the trust property without adversely affecting the interest of any beneficiary under this agreement.

Section 14.25 Administration of Trusts for Generation-Skipping Transfer Tax Purposes

My Trustee will administer each exempt and nonexempt trust as a separate and independent trust, and any exempt or nonexempt trust established under this agreement may be referred to by the name designated by my Trustee.

If an exempt trust and a nonexempt trust are further divided under the terms of this agreement, my Trustee may allocate property from the exempt trust first to the trust from which a generation skipping transfer is more likely to occur.

(a) Distributions to Skip Persons and Non-Skip Persons

To the extent possible, distributions to non-skip persons as defined by Section 2613 of the Internal Revenue Code must be made from nonexempt trust property, and distributions to skip persons as defined by Section 2613 must be made from exempt trust property.

(b) Additions of Property to Generation-Skipping Transfer Tax Exempt and Nonexempt Trusts

If at any time any property with an inclusion ratio greater than zero for generation-skipping transfer tax purposes would be added to a trust that contains property with an inclusion ratio of zero, then my Trustee will instead hold that property in a separate trust on the same terms and conditions as the original trust.

(c) Independent Trustee May Confer Testamentary Power of Appointment

An Independent Trustee may, during the lifetime of a beneficiary of the trust, grant the beneficiary a testamentary power to appoint all or part of the beneficiary's trust or trust share to the creditors of the beneficiary's estate. The Trustee granting the power of appointment may require the beneficiary to obtain the Trustee's prior consent as a condition of the beneficiary's exercise of that power. To be effective, any testamentary power granted by my Trustee under this provision must be made in writing, and may be revoked at any time during the lifetime of the beneficiary to whom the power is given. I suggest, but do not require, that my Trustee exercise this authority to subject trust property to estate tax instead of the generation-skipping transfer tax when it appears that it may reduce overall taxes.

Article Fifteen

My Trustee's Powers

Section 15.01 Introduction to Trustee's Powers

Except as otherwise specifically provided in this agreement, my Trustee may exercise, without prior approval from any court, all the powers conferred by this agreement and any powers conferred by law, including, without limitation, those powers set forth under the common law or statutory law of the State of Oklahoma or any other jurisdiction whose law applies to this trust. The powers set forth in the Oklahoma Trust Act and Oklahoma Probate Code are specifically incorporated into this trust agreement. The powers conferred upon my Trustee by law, including those powers conferred by the Oklahoma Trust Act and Oklahoma Probate Code, shall be subject to any express limitations or contrary directions contained in this agreement.

My Trustee shall exercise these powers in the manner my Trustee determines to be in the best interests of the beneficiaries. My Trustee shall not exercise any of its powers in a manner that is inconsistent with the right of the beneficiaries to the beneficial enjoyment of the trust property in accordance with the general principles of the law of trusts.

The Trustee of a trust may have duties and responsibilities in addition to those described in this agreement. I encourage my Trustee to obtain appropriate legal advice if my Trustee has any questions concerning its duties and responsibilities as Trustee.

Section 15.02 Execution of Documents by My Trustee

My Trustee may execute and deliver any and all instruments in writing that my Trustee considers necessary to carry out any of the powers granted in this agreement.

Section 15.03 Investment Powers in General

My Trustee may invest in any type of investment that my Trustee determines is consistent with the investment goals of my trust, whether inside or outside the geographic borders of the United States of America and its possessions or territories, taking into account my trust's overall investment portfolio.

Without limiting my Trustee's investment authority in any way, I request that my Trustee exercise reasonable care and skill in selecting and retaining trust investments. I also request that my Trustee take into account the following factors in choosing investments for my trust:

- The potential return from the investment, both in the form of income and appreciation;
- The potential income tax consequences of the investment;
- The investment's potential for volatility; and
- The role the investment will play in the trust's portfolio.

I request that my Trustee, in arranging the investment portfolio of the trust, also consider the possible effects of inflation or deflation, changes in global and U.S. economic conditions, transaction expenses, and the trust's need for liquidity.

My Trustee may delegate its discretion to manage trust investments to any registered investment adviser or corporate fiduciary.

Section 15.04 Banking Powers

My Trustee may establish bank accounts of any type in one or more banking institutions that my Trustee may choose. My Trustee may open accounts in the name of my Trustee (with or without disclosing fiduciary capacity) or in the name of the trust. When an account is in the name of the trust, checks on that account and authorized signatures need not disclose the fiduciary nature of the account or refer to any trust or Trustee.

An account from which my Trustee makes frequent disbursements need not be an interest bearing account. My Trustee may authorize withdrawals from an account by check, draft or other instrument or in any other manner.

Section 15.05 Business Powers

My Trustee is authorized to serve as an officer, director, manager, or in any other capacity of any proprietorship, partnership, joint venture, corporation, or other enterprise in which the trust has an interest (whether or not such interest is total or controlling). My Trustee may receive compensation for services.

My Trustee may contract with and otherwise deal with any such enterprise in the same manner as it would with any enterprise in which the trust has no interest, and may use any voting power my Trustee may have to implement its authority (whether as Trustee or as an officer, director, or other official of the enterprise).

With respect to any units in a limited liability company, limited partnership, or stock in a closely-held corporation ("closely-held company") that are contributed to the trust, the powers granted to my Trustee in this Article shall not disqualify my Trustee from acting personally and independently, and not in a fiduciary capacity, with respect to any closely held company, from holding office in the closely-held company, from accepting remuneration from the closely-held company, from voting any units or stock in favor of the Trustee as a director or officer of the closely-held company, or from purchasing or selling units or stock of the closely-held company.

If a trust is funded with subchapter S stock, my Trustee may either elect to qualify the trust as a qualified subchapter S trust ("QSST") under Section 1361(d)(3) of the Internal Revenue Code or as an electing small business trust under Section 1361(e)(1) to administer the trust in accordance with the requirements of the corresponding Section.

Section 15.06 Contract Powers

My Trustee may sell at public or private sale, transfer, exchange for other property, and otherwise dispose of trust property for consideration and upon terms and conditions that

my Trustee deems advisable. My Trustee may grant options of any duration for any such sales, exchanges, or transfers of trust property.

My Trustee may enter into contracts, and may deliver deeds or other instruments, that my Trustee deems appropriate.

Section 15.07 Common Investments

For purposes of convenience with regard to the administration and investment of the trust property, my Trustee may invest part or all of the trust property jointly with trust property of other trusts for which my Trustee is also serving as a Trustee. For this purpose, a corporate fiduciary acting as my Trustee may use common funds for investment.

When trust property is managed and invested in this manner, my Trustee shall maintain records that sufficiently identify that portion of the jointly invested assets that constitute the trust property of this trust.

Section 15.08 Environmental Powers

My Trustee shall have the right to inspect trust property to determine compliance with or to respond to any environmental law affecting the trust property. "Environmental law" shall mean any federal, state, or local law, rule, regulation, or ordinance relating to protection of the environment or of human health.

My Trustee may refuse to accept property if my Trustee determines that the property is or may be contaminated by any hazardous substance or is or was used for any purpose involving hazardous substances that could create liability to the trust or to my Trustee.

My Trustee may use and expend trust property to (i) conduct environmental assessments, audits or site monitoring; (ii) take remedial action to contain, clean up or remove any hazardous substance including a spill, discharge or contamination; (iii) institute, contest or settle legal proceedings brought by a private litigant or any local, state, or federal agency concerned with environmental compliance; (iv) comply with any order issued by any court or by any local, state, or federal agency directing an assessment, abatement or clean-up of any hazardous substance; and (v) employ agents, consultants and legal counsel to assist my Trustee in these actions.

My Trustee shall not be liable for any loss or reduction in value sustained by my trust as a result of my Trustee's retention of property on which hazardous materials or substances requiring remedial action are discovered unless my Trustee contributed to the resulting loss or reduction in value through willful misconduct or gross negligence.

My Trustee shall not be liable to any beneficiary or to any other party for any decrease in the value of trust property as a result of my Trustee's compliance with any environmental law, including any reporting requirement.

My Trustee may release, relinquish or disclaim any power held by my Trustee that my Trustee determines may cause my Trustee to incur individual liability under any environmental law.

Section 15.09 Farm, Ranch and Other Agricultural Powers

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

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

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

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

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

My Trustee may do all things customary or desirable to operate a farm or ranch operation for the benefit of the beneficiaries.

Section 15.10 Insurance Powers

My Trustee may purchase, accept, hold, and deal with as owner, policies of insurance on my life, the life of any beneficiary, or on the life of any person in whom any beneficiary has an insurable interest.

My Trustee may purchase disability, medical, liability, long-term health care and other insurance on behalf of and for the benefit of any beneficiary. My Trustee may purchase annuities and similar investments for any beneficiary.

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. My Trustee may borrow money to pay premiums due on any policy, either by borrowing from the company issuing the policy or from another source. My Trustee may assign the policy as security for the loan.

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, to reduce the amount of a policy or convert or exchange the policy, or to surrender a policy at any time for its cash value.

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

My Trustee shall have the power to sell any policy at its fair market value to anyone having an insurable interest in the policies including the insured.

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 the policy.

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.

Section 15.11 Loans and Borrowing Powers

My Trustee may make secured or unsecured loans to any person (including a beneficiary), entity, trust or estate, for any term or payable on demand, with or without interest. My Trustee may enter into or modify the terms of any mortgage or security agreement granted in connection with any loan and may release or foreclose on the mortgage or security.

My Trustee may borrow money at interest rates and on other terms that it deems advisable from any person, institution or other source including, in the case of a corporate fiduciary, its own banking or commercial lending department.

My Trustee may encumber trust property by mortgages, pledges and other hypothecation and shall have the power to enter into any mortgage, whether as a mortgagee or mortgagor even though the term may extend beyond the termination of the trust and beyond the period that is required for an interest created under this agreement to vest in order to be valid under the rule against perpetuities.

My Trustee may purchase, sell at public or private sale, trade, renew, modify, and extend mortgages. My Trustee may accept deeds in lieu of foreclosure.

Section 15.12 Nominee Powers

My Trustee may hold real estate, securities and any other trust property in the name of a nominee or in any other form without disclosing the existence of any trust or fiduciary capacity.

Section 15.13 Oil, Gas and Mineral Interests

My Trustee may acquire, maintain, develop and exploit, either alone or jointly with others, any oil, gas, coal, minerals or other natural resource rights or interests.

My Trustee may drill, test, explore, mine, develop, extract, remove, convert, manage, retain, store, sell and exchange any of such rights and interests on terms and for a price that my Trustee deems advisable.

My Trustee may execute leases, pooling and unitization agreements and other types of agreements in connection with such oil, gas, coal, mineral and other natural resource rights and interests even though such arrangements may extend beyond the termination of the trust.

My Trustee may execute division orders, transfer orders, releases, assignments, farm outs, and any other instruments that it deems proper.

My Trustee may employ the services of consultants and outside specialists in connection with the evaluation, management, acquisition, disposition, and development of any mineral interest, and may pay the cost of the services from the principal and income of the trust property.

Section 15.14 Payment of Taxes and Expenses

Except as otherwise provided in this agreement, my Trustee is authorized to pay all property taxes, assessments, fees, charges, and other expenses incurred in the administration or protection of the trust. All payments shall be a charge against the trust property and shall be paid by my Trustee out of the income, or to the extent that the income is insufficient, then out of the principal of the trust property. The determination of my Trustee with respect to the payment of expenses shall be conclusive upon the beneficiaries.

Section 15.15 Qualified Family Owned Business Interests Deduction

My Trustee, other than an Interested Trustee, shall have the power to amend the terms of a trust holding “qualified family-owned business interests” as defined in Section 2057 of the Internal Revenue Code, in order to permit trust property to qualify for the “family owned business deduction,” even if the amendment changes beneficial interests and that directs the segregation of trust property into more than one trust.

Section 15.16 Qualified Real Property Valuation

My Trustee, other than an Interested Trustee, shall have the power to amend the terms of a trust holding “qualified real property” as defined in Section 2032A of the Internal Revenue Code, in order to permit the qualified real property to qualify or continue to qualify for special use valuation permitted under Section 2032A, even if the amendment changes beneficial interests and that directs the segregation of trust property into more than one trust.

Section 15.17 Real Estate Powers

My Trustee may sell at public or private sale, convey, purchase, exchange, lease for any period, mortgage, manage, alter, improve and in general deal in and with real property in such manner and on such terms and conditions as my Trustee deems appropriate.

My Trustee may grant or release easements in or over, subdivide, partition, develop, raze improvements, and abandon, any real property.

My Trustee may manage real estate in any manner that my Trustee deems best and shall have all other real estate powers necessary for this purpose.

My Trustee may enter into contracts to sell real estate. My Trustee may enter into leases and grant options to lease trust property even though the term of the agreement extends beyond the termination of the trust and beyond the period that is required for an interest created under this agreement to vest in order to be valid under the rule against perpetuities. For such purposes, my Trustee may enter into any contracts, covenants and warranty agreements that my Trustee deems appropriate.

Section 15.18 Residences and Tangible Personal Property

My Trustee may acquire, maintain and invest in any residence for the use and benefit of the beneficiaries, whether or not the residence is income producing and without regard to

the proportion that the value of the residence may bear to the total value of the trust property and even if retaining the residence involves financial risks that trustees would not ordinarily incur. My Trustee may pay or make arrangements for others to pay all carrying costs of the residence, including, but not limited to, taxes, assessments, insurance, expenses of maintaining the residence in suitable repair, and other expenses relating to the operation of the residence for the benefit of the beneficiaries.

My Trustee may acquire, maintain and invest in articles of tangible personal property, whether or not the property is income producing, and may pay the expenses of the repair and maintenance of the property.

My Trustee shall have no duty to convert the property referred to in this Section to productive property except as required by other provisions of this agreement.

My Trustee may permit any income beneficiary of the trust to occupy any real property or use any personal property owned by the trust on terms or arrangements that my Trustee may determine, including rent free or in consideration for the payment of taxes, insurance, maintenance, repairs, or other charges.

My Trustee shall have no liability for any depreciation or loss as a result of the retention of any property retained or acquired under the authority of this Section.

Section 15.19 Retention and Abandonment of Trust Property

My Trustee may retain, without liability for depreciation or loss resulting from retention, any property constituting the trust at the time of its creation, at the time of my death or as the result of the exercise of a stock option. My Trustee may retain property, notwithstanding the fact that the property may not be of the character prescribed by law for the investment of assets held by a fiduciary, and notwithstanding the fact that retention may result in inadequate diversification under any applicable Prudent Investor Act or other applicable law.

My Trustee may hold property that is non-income producing or is otherwise nonproductive if holding the property is, in the sole and absolute discretion of my Trustee, in the best interests of the beneficiaries. On the other hand, except when I am serving as a Trustee, my Trustee shall invest contributions of cash and cash equivalents as soon as reasonably practical after the assets have been acquired by the trust. My Trustee is permitted to retain a reasonable amount in cash or money market accounts in order to pay anticipated expenses and other costs and to provide for anticipated distributions to or for the benefit of a beneficiary. But my Trustee shall convert any nonproductive property held in any trust qualifying for the federal estate tax marital deduction as qualified terminable interest property under Section 2056(b)(7) of the Internal Revenue Code and for any state death tax marital deduction under the law of any state to productive property upon the written request of my wife.

My Trustee may abandon any trust property that my Trustee deems to be of insignificant value.

Section 15.20 Securities, Brokerage and Margin Powers

My Trustee may buy, sell, trade and otherwise deal in stocks, bonds, investment companies, mutual funds, common trust funds, commodities, options and other securities of any kind and in any amount, including short sales. My Trustee may write and purchase call or put options, and other derivative securities. My Trustee may maintain margin accounts with brokerage firms and may pledge securities to secure loans and advances made to my Trustee or to or for the benefit of a beneficiary.

My Trustee may place all or any part of the securities held by the trust in the custody of a bank or trust company. My Trustee may have all securities registered in the name of the bank or trust company or in the name of its nominee. My Trustee may appoint the bank or trust company as the agent or attorney in fact to collect, receive, receipt for and disburse any income and generally to perform the duties and services incident to a custodian of accounts.

My Trustee may employ a broker-dealer as a custodian for securities held by the trust and may register the securities in the name of the broker-dealer or in the name of a nominee with or without the addition of words indicating that the securities are held in a fiduciary capacity. My Trustee may hold securities in bearer or uncertificated form and may use a central depository, clearing agency or book-entry system, such as The Depository Trust Company, Euroclear or the Federal Reserve Bank of New York.

My Trustee may participate in any reorganization, recapitalization, merger or similar transaction. My Trustee may exercise or sell conversion or subscription rights for securities of all kinds and description.

My Trustee may give proxies or powers of attorney that may be discretionary and with or without powers of substitution. My Trustee may vote or refrain from voting as to any matter.

Section 15.21 Settlement Powers

My Trustee may settle, by compromise, adjustment, arbitration or otherwise any and all claims and demands in favor of or against the trust. My Trustee may release or abandon any claim in favor of the trust.

Section 15.22 Limitation on My Trustee's Powers

All powers granted to my Trustee under this agreement or by applicable law shall be limited as set forth in this Section, unless explicitly excepted by reference to this Section. The limitations set forth in this Section shall not apply to me.

(a) An Interested Trustee Limited to Ascertainable Standards

An Interested Trustee may not exercise or participate in the exercise of discretion with respect to the distribution of income or principal, or the termination of the trust to or for the benefit of a beneficiary, to the extent that the exercise of such discretion is other than for the health, education,

maintenance or support of a beneficiary as described under Sections 2041 and 2514 of the Internal Revenue Code.

(b) No Distributions in Discharge of Certain Legal Obligations

My Trustee may not exercise or participate in the exercise of discretion with respect to the distribution of income or principal that would in any manner discharge a legal obligation of my Trustee, including the obligation of support.

If a beneficiary or any other person has the power to remove a Trustee, that Trustee may not exercise or participate in the exercise of discretion with respect to the distribution of income or principal that would in any manner discharge a legal obligation of the person having the power to remove the Trustee, including that person's obligation of support.

(c) Insurance Policy on the Life of My Trustee

If the trust holds a policy that insures the life of my Trustee, my Trustee shall have no right to exercise any powers or rights with respect to the policy. A Cotrustee serving under this agreement shall exercise the powers and rights with respect to the policy.

If the insured Trustee is the only Trustee, then an Independent Special Trustee designated under Section 3.08 shall exercise the powers and rights with respect to the policy.

If any rule of law or court decision construes the ability of the insured Trustee to name an Independent Special Trustee as an incident of ownership of the policy, then a majority of the then current mandatory and discretionary income beneficiaries (excluding the insured Trustee if he or she is a beneficiary) shall select the Independent Special Trustee.

(d) Insurance Policy on a Beneficiary's Life

If the trust holds a policy that insures the life of a beneficiary, the beneficiary (acting individually or as Trustee) shall have no power over the policy, the cash value of the policy, or the proceeds of the policy. The intent of this denial of power is to prevent an insured beneficiary from having a power that would constitute an incident of ownership of the policy.

In addition, no distribution of income or principal to the insured beneficiary shall be satisfied out of the proceeds of the policy, the cash value of the policy or any other economic benefit of the policy.

The limitations of this subsection shall not apply if the proceeds of the policy would, upon the death of the beneficiary, otherwise be included in the gross estate of the beneficiary for federal estate tax purposes.

Article Sixteen

General Provisions

Section 16.01 Maximum Term for Trusts

Notwithstanding any other provision of this agreement to the contrary, unless terminated earlier under other provisions of this agreement, each trust created under this agreement shall terminate 21 years after the last to die of the descendants of my maternal and paternal grandparents and the descendants of my wife's maternal and paternal grandparents who are living at the time of my death.

At that time, the remaining trust property shall vest in and be distributed to the persons entitled to receive mandatory distributions of net income of the trust and in the same proportions. If no beneficiary is entitled to mandatory distributions of net income, the remaining trust property shall vest in and be distributed to the beneficiaries entitled to receive discretionary distributions of net income of the trust, in equal shares *per capita at each generation*.

Section 16.02 Spendthrift Provision

Neither the income nor the principal of any trust created under this trust agreement may be assigned, anticipated, encumbered, alienated, or otherwise voluntarily transferred in any manner by any beneficiary. In addition, neither the income nor the principal of any trust created under this trust agreement is subject to attachment, bankruptcy proceedings or any other legal process, to the interference or control of creditors or others, or otherwise subject to any involuntary transfer.

This Section does not restrict a beneficiary's right to disclaim any interest or the exercise of any power of appointment granted in this agreement.

Section 16.03 Contest Provision

If, after receiving a copy of this Section, any person shall, in any manner, directly or indirectly, attempt to contest or oppose the validity of this agreement, (including any amendment to this agreement), or commences, continues or prosecutes any legal proceedings to set this agreement aside, then such person shall forfeit his or her share, cease to have any right or interest in the trust property, and shall, for purposes of this agreement be deemed to have predeceased me.

This Section may not be applied so as to cause a forfeiture of any distribution otherwise qualifying for the federal estate tax marital deduction or charitable deduction.

Section 16.04 Survivorship Presumption

If my wife and I die under circumstances in which the order of our deaths cannot be established, I will be deemed to have survived my wife.

If any other beneficiary is living at my death, but dies within 45 days after my death, then the beneficiary will be deemed to have predeceased me for purposes of this agreement.

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Section 16.05 Divorce or Annulment

If my marriage to my wife ends by divorce or annulment, my wife shall cease to be a beneficiary under this agreement and shall be treated for purposes of this agreement as though she predeceased me. If my wife is serving as my Trustee at the time that my marriage to my wife ends, she shall cease to be a Trustee.

Section 16.06 Changing the Governing Law and Situs of Administration

My Trustee may, at any time, change the governing law of the trust, remove all or any part of the property or the situs of administration of the trust from one jurisdiction to another, or both. My Trustee may elect, by filing an instrument with the trust records, that the trust will thereafter be construed, regulated and governed as to administration by the laws of the new jurisdiction. My Trustee may take action under this Section for any purpose my Trustee deems appropriate, including the minimization of any taxes in respect of the trust or any beneficiary of such trust, and may do so with or without providing notice to any beneficiary.

If necessary, or if deemed advisable by my Trustee, my Trustee will appoint an Independent Trustee to serve as trustee in the new situs.

If necessary, and if my Trustee does not appoint an Independent Trustee within 30 days of my Trustee's action to change the governing law or situs of the trust, the beneficiaries entitled to receive distributions of net income under the trust may, by majority consent, appoint a corporate fiduciary in the new situs. If a beneficiary is a minor or is incapacitated, the parent or legal representative of the beneficiary may act on behalf of the beneficiary.

Section 16.07 Definitions

For purposes of this agreement, the following terms have the following meanings:

(a) Adopted and Afterborn Persons

A legally adopted person in any generation and his or her descendants, including adopted descendants, has the same rights and shall be treated in the same manner under this agreement as natural children of the adopting parent, provided such person is legally adopted prior to attaining the age of 18 years. A person is deemed to be legally adopted if the adoption was legal in the jurisdiction in which it occurred at the time that it occurred.

A fetus in utero that is later born alive shall be considered a person in being during the period of gestation.

(b) Agreement

The term "this agreement" means this trust agreement and includes all trusts created under the terms of this agreement.

(c) Descendants

The term “descendants” shall include a person’s lineal descendants of all generations.

(d) Education

The term “education” is intended to be an ascertainable standard in accordance with Section 2041 and Section 2514 of the Internal Revenue Code and shall include, but not be limited to:

Enrollment at private elementary, junior and senior high school including boarding school;

Undergraduate and graduate study in any field at a college or university;

Specialized, vocational or professional training or instruction at any institution, including private instruction; and

Any other curriculum or activity that my Trustee may deem useful for developing the abilities and interests of a beneficiary including, without limitation, athletic training, musical instruction, theatrical training, the arts and travel.

The term “education” shall also include distributions made by my Trustee for expenses such as tuition, room and board, fees, books and supplies, tutoring and transportation and a reasonable allowance for living expenses.

(e) Grantor

The term “Grantor” has the same legal meaning as “Settlor,” “Trustor” or any other term referring to the maker of a trust.

(f) Incapacity

Except as otherwise provided in this agreement, a person is deemed incapacitated in any one of the following circumstances.

(1) The Opinion of Two Licensed Physicians

An individual shall be deemed incapacitated whenever, in the written opinion of two licensed physicians, the individual is unable to effectively manage his or her property or financial affairs, whether as a result of age, illness, use of prescription medications, drugs or other substances, or any other cause.

An individual shall be deemed restored to capacity whenever the individual’s personal or attending physician provides a written opinion that the individual is able to effectively manage his or her property and financial affairs.

(2) Court Determination

An individual is deemed incapacitated if a court of competent jurisdiction has declared the individual to be disabled, incompetent or legally incapacitated.

(3) Detention, Disappearance or Absence

An individual is deemed incapacitated whenever he or she cannot effectively manage his or her property or financial affairs due to the individual's unexplained disappearance or absence for more than 30 days, or whenever he or she is detained under duress.

An individual's disappearance or absence or detention under duress may be established by an affidavit of my Trustee, or, if no Trustee is serving, by the affidavit of any beneficiary. The affidavit shall describe the circumstances of the individual's disappearance, absence or detention and may be relied upon by any third party dealing in good faith with my Trustee in reliance upon the affidavit.

(g) Income Beneficiary

The term "income beneficiary" means any beneficiary who is then entitled to receive distributions of the net income of the trust, whether mandatory or discretionary.

Unless otherwise provided in this agreement, the phrase "majority of the income beneficiaries" means any combination of income beneficiaries who, if all accrued net income were distributed on the day of a vote by the beneficiaries, would receive more than 50% of the accrued net income. For purposes of this calculation, beneficiaries who are eligible to receive discretionary distributions of net income are deemed to receive the income in equal shares.

References to a "majority" refer to a majority of the entire trust collectively until my Trustee allocates property to separate trusts or trust shares. After the allocation of property to separate trusts or trust shares, references to a "majority" refer to a majority of each separate trust or trust share.

(h) Income in Respect of a Decedent (IRD)

The term "income in respect of a decedent" or "IRD" means income received after a decedent's death that would have been taxable to the decedent if the income had been received by the decedent during the decedent's lifetime. For example, payments under qualified retirement plans and other deferred compensation arrangements are IRD. For purposes of this agreement, IRD means any income that would be classified as IRD under Section 691(a) of the Internal Revenue Code.

(i) Independent Trustee

The term “Independent Trustee” means a Trustee who is not an Interested Trustee as defined in subsection (j) and includes an Independent Special Trustee appointed under the provisions of Section 3.08. Whenever (1) a power is granted exclusively to an Independent Trustee or (2) the phrase “other than an Interested Trustee” is used, then the power or discretion may be exercised only by an Independent Trustee. Whenever this agreement specifically prohibits an Interested Trustee from exercising discretion or performing an act, then only an Independent Trustee may exercise that discretion or perform that act.

(j) Interested Trustee

The term “Interested Trustee” means a Trustee who (1) is a transferor or beneficiary; (2) is related or subordinate to a transferor or beneficiary; (3) can be removed and replaced by a transferor with either the transferor or a party who is related or subordinate to the transferor; or (4) can be removed and replaced by a beneficiary with either the beneficiary or a party who is related or subordinate to the beneficiary.

For purposes of this subsection, (1) “transferor” means a person who transferred property to the trust, including a person whose disclaimer resulted in property passing to the trust; (2) “beneficiary” means a person who is or in the future may be eligible to receive income or principal from the trust pursuant to the terms of the trust, even if such person has only a remote contingent remainder interest in the trust, but not if the person’s only interest is as a potential appointee under a power of appointment; and (3) “related or subordinate” means related or subordinate within the meaning of Section 672(c) of the Internal Revenue Code.

(k) Internal Revenue Code and Treasury Regulations

References to the “Internal Revenue Code” or to its provisions are to the Internal Revenue Code of 1986, as amended from time to time, and the corresponding Treasury Regulations, if any. References to the “Treasury Regulations,” are to the Treasury Regulations under the Internal Revenue Code in effect from time to time. If a particular provision of the Internal Revenue Code is renumbered, or the Internal Revenue Code is superseded by a subsequent federal tax law, any reference is deemed to be made to the renumbered provision or to the corresponding provision of the subsequent law, unless to do so would clearly be contrary to my intent as expressed in this agreement. The same rule shall apply to references to the Treasury Regulations.

(l) Legal Representative or Personal Representative

As used in this agreement, the term “legal representative” or “Personal Representative” means a person’s guardian, conservator, executor,

administrator, Trustee, or any other person or entity personally representing a person or the person's estate.

(m) Per Capita at Each Generation

Whenever a distribution is to be made to a designated person's descendants "per capita at each generation," the distribution shall be divided into as many equal shares as there are, at the time, descendants in the nearest degree of kinship to the designated ancestor and then deceased descendants in the same degree who left then living descendants, each then living descendant in the nearest degree receiving one share. The remaining shares, if any, are combined and then divided in the same manner among the then living descendants of the deceased descendants as if the then living descendants who received a share, and their descendants, had predeceased the date of distribution.

(n) Permissible Distributee

"Permissible Distributee" means a beneficiary who is currently eligible to receive distributions of trust income or principal, whether the distribution is mandatory or discretionary.

(o) Primary Beneficiary

The primary beneficiary of a trust created under this agreement is the oldest income beneficiary of that trust unless some other individual is specifically designated as the primary beneficiary of that separate trust.

(p) Qualified Beneficiary

"Qualified Beneficiary" means a beneficiary who, on the date the beneficiary's qualification is determined:

- (1) is a distributee or Permissible Distributee of trust income or principal;
- (2) would be a distributee or Permissible Distributee of trust income or principal if the interests of the distributees described in subparagraph (1) terminated on that date; or
- (3) would be a distributee or Permissible Distributee of trust income or principal if the trust terminated on that date.

(q) Qualified Retirement Plan

The term "qualified retirement plan" means a plan qualified under Section 401 of the Internal Revenue Code, an individual retirement arrangement under Section 408 or Section 408A or a tax-sheltered annuity under Section 403. The term "qualified retirement benefits" means the amounts held in or distributed pursuant to a plan qualified under Section 401, an individual retirement arrangement under Section 408 or Section 408A, a

tax-sheltered annuity under Section 403 or any other benefit subject to the distribution rules of Section 401(a)(9).

(r) Shall and May

Unless otherwise specifically provided in this agreement or by the context in which used, I use the word “shall” in this agreement to command, direct or require, and the word “may” to allow or permit, but not require. In the context of my Trustee, when I use the word “may” I intend that my Trustee may act in its sole and absolute discretion unless otherwise stated in this agreement.

(s) Trust

The terms “this trust” or “this trust agreement” shall refer to this agreement and all trusts created under the terms of this agreement.

(t) Trustee

The term “my Trustee” or “Trustee” refers to the Trustee named in Article One and to any successor, substitute, replacement or additional person, corporation or other entity that is from time to time acting as the Trustee of any trust created under the terms of this agreement. The term “Trustee” refers to singular or plural as the context may require.

(u) Trust Property

The phrase “trust property” shall be construed to mean all property held by my Trustee under this agreement, including all property that my Trustee may acquire from any source.

Section 16.08 General Provisions and Rules of Construction

The following general provisions and rules of construction shall apply to this agreement:

(a) Duplicate Originals

This agreement may be executed in any number of counterparts, each of which is deemed to be an original. Any person may rely upon a copy of this agreement certified under oath by my Trustee to be a true copy, to the same effect as if it were an original.

(b) Singular and Plural; Gender

Unless the context requires otherwise, words denoting the singular may be construed as plural and words of the plural may be construed as denoting the singular. Words of one gender may be construed as denoting another gender as is appropriate within the context. The word “or” when used in a list of more than two items may function as both a conjunction and a disjunction as the context requires or permits.

(c) Headings of Articles, Sections, and Subsections

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

(d) Governing State Law

This agreement is governed, construed and administered according to the laws of the State of Oklahoma as from time to time amended, except as to trust property required by law to be governed by the laws of another jurisdiction and unless the Situs of Administration is changed as provided in Section 16.06.

(e) Notices

Unless otherwise stated, whenever this agreement calls for notice, the notice must be in writing and must be personally delivered with proof of delivery, or mailed postage prepaid by certified mail, return receipt requested, to the last known address of the party requiring notice. Notice is effective on the date personally delivered or on the date of the return receipt. If a party giving notice does not receive the return receipt but has proof that he or she mailed the notice, notice is effective on the date it would normally have been received via certified mail. If notice is required to be given to a minor or incapacitated individual, notice must be given to the parent or legal representative of the minor or incapacitated individual.

(f) Plans Not Reciprocal

The fact that my wife and I are executing our estate plans concurrently shall not be construed to create any contractual or reciprocal obligations between us.

(g) Severability

The invalidity or unenforceability of any provision of this agreement shall not affect the validity or enforceability of any other provision of this agreement. If a court of competent jurisdiction determines that any provision is invalid, the remaining provisions of this agreement are to be interpreted and construed as if the invalid provision had never been included in this agreement.

Thomas C. Client, Grantor and Trustee

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

Notary Public

My commission expires:

Schedule A

Ten Dollars cash

Undivided 1/2 interest in home

Undivided 1/2 interest in vacation condo

Bikes and other personal property

Car

Undivided 1/2 interest in Savings Acct # **S01

Undivided 1/2 interest in Checking Acct # **C23

Undivided 1/2 interest in Brokerage Acct # **J98

All interest in Brokerage Account # **T76

All interest in Tom LLC

Thomas C. Client Living Trust

A - 1

Thomas C. Client Living Trust

A - 2