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Recording Requested by:

Name P.J. BENET-DAUIS

Address 1455 NO. LOS POBLES, NO. 25

City/State/Zip PASA DENA, CALIFORNIA 91104

TRUST AGREEMENT (Title of Document)

This page added to provide additional information required by NRS 111.312 Sections 1-2. (Additional recording fee applies)

This cover page must be typed or printed.

TRUST AGREEMENT

THIS TRUST AGREEMENT is entered into this 16 day of 30LY,
2007, between JACK SCOTT BURNETT of Eureka, Nevada, as Grantor; and JACK SCOTT BURNETT as Trustee.

ARTICLE 1

DECLARATIONS

Section 1.01 - Conveyance to Trustee. Grantor has conveyed and transferred commensurate herewith, without consideration, to himself, JACK SCOTT BURNETT, as Trustee, all the property described in an inventory attached hereto marked Exhibit "A", and incorporated herein., receipt of which property is acknowledged by Trustee.

Section 1.02 - Identity of Trust Estate. All property described in the inventory attached hereto marked Exhibit "A", together with any other property that may hereafter be transferred or conveyed to and received by the Trustee to be held pursuant to the terms of this instrument, is herein called the "Trust Estate" and shall be held, administered, and distributed by the Trustee as provided in this Trust Agreement.

Section 1.03 - Identity of Trustor, Children and Grandchildren. As used in this Declaration of Trust:

- (a) The term "Grantor" or "Trustor" shall refer to JACK SCOTT BURNETT.
- (b) The term "child", or "children", or "children of Trustor", or "children of Grantor", refers to DERRY SCOTT BURNETT and P. J. BENET DAVIS.
- (c) The term "Grandchild" or "Grandchildren" means the children of DERRY SCOTT BURNETT and P.J. BENET DAVIS, either natural children or children who have been adopted by any of them.

Section 1.04 -- Designation of Trustee: JACK SCOTT BURNETT is hereby designated as Trustee of all trusts created by. or to be created pursuant to this Trust Agreement. The

terms "Trustee" or Trustees" shall refer to a Trustee acting alone where there is only one duly qualified and acting Trustee or to Trustees acting jointly where there are two duly qualified and acting Trustees.

Section 1.05 - Additions to Trust. The Trustor or any other person, may from time to time add other property, acceptable to the Trustee, to the Trust Estate by conveyance, assignment, transfer, or Will. Such property when received and accepted by the Trustee shall become part of the Trust Estate and by subject to all the terms and provisions of this Trust Agreement.

Section 1.06 - Revocation of Trust. At any time and from time to time during the life of the Trustor, Trustor may, by serving written notice on the Trustee, revoke the trust created by this Trust Agreement in whole or in part, Any property withdrawn from the Trust Estate by reason of any such revocation shall be promptly delivered by the Trustee to the Trustor so revoking.

Section 1.07 -Modification of Trust. At any time, and from time to time, during the life of the Trustor, the Trustor may, by written instrument and written notice of same served on the Trustee, alter; modify, or amend the trusts created by this Agreement in any respect. No amendment shall substantially increase the duties of the Trustee or change Trustee's compensation without the Trustee's consent.

Section 1.08 - Trusts Irrevocable on Death of Trustor. Except as otherwise expressly provided in this Declaration on the death of Trustor, the trusts created by this Agreement shall become irrevocable and not subject to amendment or modification.

ARTICLE 2

DISTRIBUTIONS DURING LIFE OF TRUSTOR

Section 2.01 - Net Income to Trustor: During the life of the Trustor, the Trustee shall: hold, administer and distribute the trust estate for the benefit of the Grantor' Trustor as

follows: (a) Trustee shall, at least monthly, unless otherwise directed by Trustor in writing, pay to or apply for the benefit of Trustor, all of the net income from the Trust Estate.

Section 2.2 - Invasion of Corpus. During the life of the Trustor, should the net income of the Trust Estate be insufficient to provide for the care, maintenance, or support of the Trustor as herein defined, the Trustee may. in the Trustee's absolute discretion, pay to or apply for the benefit of the Trustor, such amounts from the principal of the Trust Estate as the Trustee may, in the Trustee's absolute discretion, from time to time deem necessary or advisable for the Trustor's care, maintenance, comfort and/or support. As used in this section, the term "care, maintenance, and support" shall mean:

- (a) The providing of proper care, maintenance, and support for normal. day to day living as well as living expenses and care, during any period of illness, or other want or necessity;
- (b) The care and maintenance of the Trustor shall be maintained in at least the manner of living, to which Trustor is accustomed on the date of this Trust Agreement;
- (c) Maintenance and care shall be exercised in a liberal manner with the rights of the remaindermen considered secondary to the maintenance and comfort of the Trustor.
- (d) The right to live and reside in the residence, or any future residence which may be transferred into the Trust or which the Trustor is using as his personal residence, unless and except if Trustor is in such. poor physical health that Trustor could not live without substantial or live-in nursing care and there is very likely not to be improvement in Trustor's health so that he could return to his home.

Section 2.3 - Gifts from the Trust. Grantor may, at any time, direct Trustee in writing to pay single sums or periodic sums out of the Trust to any person or organization.

ARTICLE 3

DISTRIBUTIONS AFTER DEATH OF TRUSTOR

Section 3.01 - Payment of Expenses. On the death of the Trustor, the Trustee shall collect all insurance proceeds payable to the Trust Estate by reason of such death, all bequests and devises distributable to the Trust Estate under the terms of the Last Will of the Trustor, pay the expenses of the Trustor's last illness, funeral, burial, and any inheritance, estate, or death taxes that maybe due, unless the Trustee in his or her absolute discretion determines that other adequate provisions have been made for the payment of such expenses and taxes.

Section 3.02 - Distribution of Balance of Trust Estate. The balance of the Trust Estate shall be distributed by the Successor Trustee outright, in kind or in cash., at the discretion of the Trustee, as follows: (A) all assets, in the following shares: twenty five percent (25%) to DERRY SCOTT BURNETT, twenty-five percent (25%) to P.J. BENET DAVIS, twenty-five percent (25%) to my grandaughter, SHEILAH ERIS DAVIS GREEN, and twenty-five (25%) to my grandson, SHEA WILLIAM DAVIS, provided each survives the Trustor by thirty (30) days. If any such child or grandchild of Trustor does not survive the Trustor, his or her share shall be distributed to the surviving issue of such child or grandchild, in. equal shares, per stirpes and not per capita.

ARTICLE IV

POWERS OF TRUSTEE

Section 4.01 - Retain Investments of Trustor. The Trustee is authorized to retain in the Trust provided for in this Agreement for so long as the Trustee may deem advisable and, in the best interest of such Trust, any property received by Trustee from the Trustor, whether or not such property is of the character permitted by law for the investment of trust funds.

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Section 4.02 - Management of Trust Property. The Trustee shall, with respect to any and all property which may at any time be held by the Trustee in trust pursuant to this Trust Agreement, whether such property constitutes principal or accumulated income of any Trust provided: for in this Agreement, have power exercisable in the Trustee's absolute discretion at any time and from time to time on such terms and in such manner as the Trustee may deem advisable, to:

- (a) Sell, convey, exchange, convert, improve, repair, partition, divide, allot, subdivide, create restitutions, easements, or other servitude thereon, manage, operate, and control;
- (b) Lease for terms within or beyond the term of any trust provided for in this Agreement and for any purpose, including exploration for and removal of gold, silver, oil, gas and other minerals; enter into any covenants and agreements relating to the property so leased or any improvements which may then or thereafter be erected on such property; to enter into pooling, utilization and production share agreements for such properties,
- (c) Encumber or hypothecate for any trust purpose by mortgage, deed of trust, pledge, or otherwise;
- (d) Carry insurance of such kinds and in such amounts at the expense of the trusts provided for in this Agreement as the Trustee may deem advisable;
- (e) Commence or defend at the expense of any trust provided for in. this Agreement such litigation with respect to any such trust or any property of the Trust Estate as the Trustee may deem advisable and employ, for reasonable compensation payable by any such trust, such counsel as the Trustee shall deem advisable for that purpose;
- (f) Invest and reinvest as trust funds in such property as the Trustee, in the exercise of reasonable business judgment, may deem advisable, whether or not such property is of the character specifically permitted by law for the investment of trust funds; Provided, that the Trustor Trustee, is authorized to retain and invest or reinvest the trust funds in property which is nonproductive of income; but that any successor Trustee is not authorized to invest or reinvest the trust funds in property which is nonproductive of income, except to provide a residence to the Trustor;
- (g) Vote, by proxy or otherwise, in such manner as Trustee may determine to be in the best interest of the Trusts provided for in this Agreement, any

securities having voting rights held by the Trustee pursuant to this Agreement;

- (h) Pay any Assessment or other charges levied on any stock or other security held by Trustee in trust pursuant to this Agreement;
- (i) Exercise or not exercise, as Trustee may deem best, subscription, conversion, or other rights or options which may at any time attach, belong, or be given to the holders of any stocks, bonds, securities, or other instruments held by it as Trustee pursuant to this Agreement;
- (j) Participate in any plans or proceedings for the foreclosure, reorganization, consolidation, merger, or liquidation of any corporation or organization that has issued. securities held by Trustee in trust pursuant to this Agreement, and incident to such participation to deposit securities with and transfer title of securities on such terms as Trustee may deem in the best interest of the trusts to any protective or other committee established to further or defeat any such plan or proceeding;
- (k) Enforce any mortgage or deed of trust or pledge held by Trustee in trust pursuant to this Agreement and at any sale under such mortgage, deed of trust or pledge to bid and purchase at the expense of any trust provided for in this Agreement any property subject to such security instrument;
- (l) Compromise, submit to arbitration, release with or without consideration, and otherwise adjust any claims in favor of or against any trust provided for in this Agreement;
- (m) Subject to any limitations expressly set forth in this Agreement and faithful performance of Trustee's fiduciary obligations to do all such acts, take all such proceedings. and exercise all such rights and privileges as could be done, taken, or exercised by an absolute owner of the trust property.
- (n) To take any action necessary to minimize the tax liabilities of the Trust and its beneficiaries and to allocate such benefits among the various beneficiaries.
- (o) To withhold distribution if the Trustee reasonably believe, all or any part of the property of the Trust Estate may be subject to conflicting deficiencies, or to liabilities contingent or otherwise properly incurred in the administration of the Trust Estate.
- (p) To purchase at less than par, obligations of the United States of America that are redeemable at par; in payment of any Federal Estate Tax liability of either Trustor in such amounts as the Trustee deem advisable, and for that purpose may partition a portion of the community property of the Trust Estate and make such purchases from either: or both portions.

Section 4.03 - Power to Borrow Money. The Trustee shall have the power to borrow money for any trust purpose on such terms and conditions as the Trustee may deem proper from any person, firm, or corporation, including the power to borrow money on behalf of one Trust from any other Trust provided for in this Agreement, except that a survivor Trustee shall not vote on the granting of a loan from the Residual Trust to the Survivor's Trust or to said survivor Trustor, or for such survivor Trustor's benefit, and to obligate the Trusts, or any of them, provided for in this Agreement to repay such borrowed money,

Section 4.04 - Power to Loan Money to Trusts. The Trustee is authorized to loan or advance Trustee's own funds to any trust provided for in this agreement for any Trust purpose and to charge for such loan or advance, the rate of interest that Trustee, at the time such loan or advance is made, would have charged had such loan or advance been made to a person not connected with such trusts having a net worth equal to the value of the principal of such trust. Any such loan or advance, shall be a first lien against the principal of the trust to which such loan or advance is made and shall be repaid from the income or principal of such trust as in the discretion of the Trustee appears for the best interest of such trust and its beneficiaries.

<u>Section 4.05 - Dealings with Estate of Trustor</u>. The Trustee is authorized to purchase securities or other property from and to make loans and advancements from the Trust Estate with or without security to the Executor or other representative of the Estate of Trustor.

Section 4.06 -- Manner of Holding Trust Securities. The Trustee may hold securities or other property held by Trustee in Trust pursuant to this Agreement in Trustee's name as Trustee under this Agreement, in the original Trustee's own name without designation showing it to be Trustee under this Agreement, in the name of Trustee's nominee. or the original Trustee, but not

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successor Trustees, may hold such securities unregistered in such condition that ownership will pass by delivery.

Section 4.07 - Allocation of Principal and Income. Except as otherwise specifically provided in this Agreement, the Trustee shall allocate all receipts and expenditures received or incurred by Trustee in administering the trusts provided for in this Agreement to the income or principal of each such trustee in the manner provided by the Revised Uniform Principal and Income Act in effect on the date of this Agreement in the State of Nevada.

<u>Section 4.08 - Limitation of Successor Trustee</u>. No Successor Trustee shall be able to sell and shall not sell the real property described on Exhibit "A" at Paragraph 2, (Parcel No. 2 of the Parcel Map for Jack Scott Burnett) during Trustor Jack Scott Burnett's lifetime,

ARTICLE V

ADMINISTRATIVE PROVISIONS

Section 5.01 - Periodic Accounting. The Trustee shall periodically, at least annually, prepare and deliver to Trustor, and after the death of Trustor, to each beneficiary mentioned in this Agreement, an accounting in writing of the Trustee's administration of the Trusts provided for in this Agreement. Written approval of any such accounting signed by a Trustor or beneficiary shall constitute an absolute release of the Trustee from any and all liability for any matters stated in such accounting. Such approval and release shall be binding not only on the Trustor or beneficiary who signed it, but also on the administrators, executors, successors, and assigns of such Trustor or beneficiary.

Section 5.02 - Spendthrift Provisions. Except as otherwise expressly provided in this Agreement, no beneficiary of the Trust provided for in this Agreement shall have any right, power, or authority to alienate, encumber, or hypothecate his or her interest in the principal or income of

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such trust in any manner, nor shall such interest of any beneficiary be subject to claims of his or her creditors or liable to attachment, execution, or other process of law.

Section 5.03 - Division or Distribution in Kind or in Cash. On. any division of the assets of the Trust Estate into shares or partial shares and on any final, or partial distribution. of the assets of the Trust Estate provided for in this Agreement, except as otherwise specifically provided hereinabove, the Trustee, in its absolute discretion, may divide an distribute such assets in kind, may divide or distribute undivided interest in such assets, or may sell all or any part of such assets and make division or distribution in cash or partly in cash and partly in kind, at valuations determined by the Trustee in good faith. The decision of the Trustee, either prior to or on any division or distribution of such assets, as to what constitutes a proper division of such assets of the Trust Estate or any Trust provided for in. this Declaration shall be binding on all persons in any manner interested in any Trust provided for in. this Agreement. Trustee shall be under no obligation to make a pro rata division to distribute the same assets to beneficiaries similarly situated.

Section 5.05 - Definition of "Issue" and "Children". The terms "issue" refers to lawful lineal descendants of all degrees, and the terms "child", "children" and "issue" include adopted children.

ARTICLE VI

ADDITIONAL TRUSTEE PROVISIONS

Section 6.01 - Rights and Powers of Successor Trustee. Should JACK SCOTT BURNETT be unable or unwilling to serve as Trustee of this Trust because of resignation, illness, or incompetence, or other action of said Trustee, then P.J. BENET-DAVIS is nominated to act and shall act as Trustee of the Trust. Should P.J. BENET-DAVIS fail to qualify or cease to act as Trustee because of death. resignation, or other action, then Trustor's grandchild, SHEILAH ERIS

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DAVIS GREEN, shall act as Trustee, and shall immediately succeed to all title of the appointment; appointment is effective upon her written acceptance of the Trust.

Section 6.02 - Emergency. If Trustor cannot participate in trust activities because of illness, disability, or any other reason, that person designated in Section 6.01 as successor trustee, shall, during any incapacity, make all decisions regarding the trust estate as though he were the sole trustee. In determining a Trustee's illness or disability, that person designated in Section 6.01 as the first successor trustee may rely on a certificate or other written statement from two licensed physicians who have examined the Trustee and found the Trustor incapable of managing his/her/their own affairs.

Any person acting pursuant to this Section 6.02 shall incur no liability. to any beneficiary of the Trust or to the individual Trustee as a result of any action taken under this Section 6.02.

<u>Section 6.03 -- Compensation of Successor Trustee</u>. The Successor Trustee shall be entitled to reasonable compensation:

- (a) For ordinary services hereunder;
- (b) For any extraordinary services performed;
- (c) For reimbursement of payment of legal and, financial counsel engaged, by the Trustee on legitimate Trust business; and
- (d) For all services in connection with the termination and distribution of the Trust in. whole or in part. Any disbursements for such. compensation or for counsel fees shall be payable, as the Trustee may deem proper, wholly from principal or wholly. from income or partly from each.

Section 6.04 - Trustee. No Trustee shall be liable or responsible for any act, omission, or default of any other Trustee, provided the Trustee has no knowledge of facts that might reasonably be expected to put the Trustee on notice of it.

ARTICLE VII

CONSTRUCTION OF TRUST

Section 7.01 - Applicable Law. The Trusts created by this Agreement have been accepted by the Trustee in the State of Nevada, will be administered by the Trustee in Nevada, and the validity, construction, and all rights under this Agreement shall be governed by the laws of the State of Nevada.

<u>Section 7.02 - Invalidity of Any Provision</u>. Should any provision of this Agreement be or become invalid or unenforceable, the remaining provisions of this Agreement shall be and continue to be fully effective.

Certification. The undersigned certifies that:

- 1. He has read the foregoing Agreement;
- 2. The foregoing Agreement correctly states the terms and conditions under which the Trust Estate is to be held, managed, administered, and disposed of by the Trustee;
 - 3. He approves such Agreement in all particulars; and
- 4. As the Trustee named in such Agreement, he approves and accepts the Trusts provided for in such Agreement.

This Trust, which shall be referred to as the JACK SCOTT BURNETT LIVING TRUST, is executed on this 16 day of , 200 7, at Eureka, Nevada.

JACK SCOTT BURNETT

ACKNOWLEDGMENT

STATE OF NEVADA

SS.

COUNTY OF durella

me that he has read and executed the foregoing instrument, that the statements contained therein are true to the best of his knowledge and belief, and as to those statements he believes them to be true.



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EXHIBIT "A"

PROPERTY TRANSFERRED TO TRUST

1. Improved real property in Eureka, Nevada, more particularly described as:

Parcel No. 1, as shown on that certain Parcel Map for Jack Scott Burnett, filed in the Office of the County Recorder of eureka County, State of Nevada, on June 20, 1990, as File No. 132576, being a portion of Section 24, Township 19 North, Range 53 East, MDB&M.

Together with all improvements thereon, tenements, hereditaments and appurtenances thereunto belonging or appertaining, and the reversion and reversions, remainder and remainders. rents, issues and profits thereof.

2. Improved real property in Eureka, Nevada, more particularly described as:

Parcel No. 2, as shown on that certain Parcel Map for Jack Scott Burnett, filed in the Office of the County Recorder of eureka County, State of Nevada, on June 20, 1990, as File No. 132576, being a portion of Section 24, Township 19 North, Range 53 East, MDB&M.

- 3. Three mobile homes located on Parcel 1, one of which is a business-type trailer;
- 4. Two (2) Sharp rifles (one of which is a side-hammer Sharp);
- One Borchard rifle
- 6. One homemade Flintlock rifle.