



## SUPPLEMENTAL INFORMATION SUBMITTED

Submitted on: 4-23-07

Taken By: SGS

SUPPLEMENTAL INFORMATION HAS BEEN RECEIVED BY THIS OFFICE IN REGARDS TO THE FOLLOWING:

**BP#** \_\_\_\_\_

**PA#** 067117

Defoe l

**SP#** \_\_\_\_\_

**SI#** \_\_\_\_\_

**OTHER:**

---

---

---

---

---

April 23, 2007

04-23-07 P02:17 1A

**Letter of Explanation for Planning Action # PA067117**

Soren V. and Lucille Madsen purchased the 46 acres on Lingo Lane in 1942. Soren died in 1983 and he willed this land to his daughter, Karla Defoe. Karla Defoe died in 2005 and willed the 46 acres on Lingo Lane to her 3 children, Kristi Defoe, Daniel Defoe, and Jaymie Defoe.

**See Exhibit A - Soren V. Madsen's Will**

**See Exhibit B - Karla Defoe's Will**

WILL  
OF  
SOREN V. MADSEN

I, SOREN V. MADSEN, of Junction City, Lane County, Oregon,  
do make, publish and declare this to be my Will, and do revoke all Wills  
and Codicils heretofore made by me.

I

I direct my Executor to pay from my estate all my just debts,  
the expenses of my last illness and funeral and final interment and the  
expenses of administration of my estate.

II

I direct my Executor to pay from my estate all inheritance,  
estate, transfer and succession taxes which become payable by reason of  
my death and authorize it to contest or compromise any claims for such  
taxes. I further direct that all such taxes shall be paid by my Executor  
from the residue of my estate without apportionment and without withholding  
or collecting any part thereof from any beneficiary under my Will or of  
any trust created by me or of any life insurance of mine which may be sub-  
ject to such tax or from the surviving owner of any property owned jointly  
with me; provided, however, that if any trust created by me during my life  
and in existence at the time of my death shall be subject to such taxes as  
a part of my gross taxable estate, and if provision is made by the terms  
of such trust for the payment from the trust estate of any part of such  
taxes, my Executor shall be entitled to collect and receive such part on  
behalf of my estate from the trustee of such trust.

151 ~~COPY~~ MADSEN  
Will of  
SOREN V. MADSEN - 1

III

I declare that I am the Husband of LUCILLE M. MADSEN and that the names of our children, all of whom are living, are:

<u>NAME</u>	<u>BIRTHDATE</u>
JANICE KELLY	November 20, 1937
KAREN MYERS	July 15, 1939
KARLA DEFOE	February 3, 1944

and that we have no other children, living or deceased.

IV

I devise all of my estate and property to United States National Bank of Oregon, as trustee of the trust created by me by agreement dated the 23 day of NOVEMBER, 1977, between me as Trustor and the said United States National Bank of Oregon, as trustee, to be, by my said trustee, added to and merged with the trust estate held by it as trustee under the aforesaid agreement and to be held, administered and distributed by my said trustee subject to and in accordance with the provisions of my said trust agreement.

V

I nominate and appoint my Wife, LUCILLE M. MADSEN, as Executor of this, my Will and direct that she serve without bond. In the event she is unwilling or unable to so act, then I nominate and appoint my daughter, KARLA DEFOE, to so act, also to serve without bond.

**COPY** 1/1 Soren V. Madsen  
Will of  
SOREN V. MADSEN 2

IN WITNESS WHEREOF, I have signed and do declare this instrument  
to be my Will this 23 day of NOVEMBER, 1977, at Eugene, Oregon.

**COPY** 1st Soren V. Madsen  
Soren V. Madsen

THE FOREGOING INSTRUMENT, consisting of 3 pages, including  
this page, each page signed by the within named SOREN V. MADSEN, was by  
the said SOREN V. MADSEN on the date hereof, signed, published and  
declared to be his Will in the presence of us, who, at his request and in  
his presence and in the presence of each other, have hereunto subscribed  
our names as witnesses thereto.

1st Rosemary Bowditch  
Residing at Eugene, Oregon

1st Cynthia Makeney  
Residing at Eugene, Oregon

1 IN THE CIRCUIT COURT OF THE STATE OF OREGON FOR LANE COUNTY

2 In the Matter of the Estate of )

3 SOREN V. MADSEN, )

4 Deceased. )

) Case No. 50-82-08111

) PETITION FOR  
) PARTIAL DISTRIBUTION

5  
6 The Personal Representative petitions the Court for an Order authorizing a  
7 partial distribution of the Estate, and in support of that Petition would show the Court as  
8 follows:

1. This Estate was opened on September 28, 1982.

2. This Estate is devised to and will be distributed under Decedent's Will,  
as follows: all of the residuary estate and property of the Decedent is devised to the  
United States National Bank of Oregon, as trustee, to be added to and merged with the  
trust estate held by United States National Bank of Oregon, as trustee of the trust  
created by Decedent by agreement dated November 23, 1977. (The beneficiaries under  
such trust are the surviving children of the Decedent, being Janice Kelly, Karen Myers,  
and Karla Defoe.)

3. The probate asset in this Estate consists of savings in the amount of  
\$81,000, including accrued interest, and a one-half interest in a note receivable under a  
vendor's Land Sale Contract, having a principal balance on the date of death of  
\$101,227.76, plus then accrued interest of \$5,398.81.

4. The Oregon Inheritance Tax Return and the Federal Estate Tax  
Return were filed on May 24, 1983. Inheritance taxes of \$33,783.00 have been paid to  
the Oregon Department of Revenue; Federal Estate taxes of \$58,753.00 have been paid  
to the Internal Revenue Service.

5. The Estate is not yet ready for closing and final distribution.

6. There are no unpaid claims filed against this Estate.

7. There are no reasons for this Estate to retain all the assets currently  
held, which are to be distributed to the Trust as described in paragraph 2 above. The  
Personal Representative of this Estate requests that Court authorize a partial  
distribution of \$60,000 from this Estate to United States National Bank of Oregon, as  
trustee under the trust created by the Decedent in such Bank by the Trust Agreement  
dated November 23, 1977. Such partial distribution would leave more than sufficient  
funds for the payment of any taxes, expenses of administration with respect to this  
Estate, unpaid claims, and all known creditors of the Decedent or this Estate.

8. In accordance with Oregon Department of Revenue Regulations, OAR  
150-116.013, the Personal Representative has forwarded a copy of this Petition for  
Partial Distribution to the Oregon Department of Revenue, requesting its consent to this  
Petition. Upon receipt of such request, the same will be filed with the Court.

1                    WHEREFORE, the Personal Representative prays the Court enter its Order  
2 authorizing a partial distribution of \$60,000 of the assets of the Estate of Soren V.  
3 Madsen, to be distributed to the United States National Bank of Oregon, as trustee under  
4 that Trust Agreement between such Bank and the Decedent dated November 23, 1977.

5                    KARLA DEFOE  
6                    Personal Representative  
7                    Estate of Soren V. Madsen  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

PERRIN & GARTLAND, P.C.  
P.O. BOX 11229  
EUGENE, OREGON 97440  
(503) 344-2174

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

IN THE CIRCUIT COURT OF THE STATE OF OREGON FOR LANE COUNTY

In the Matter of the Estate of  
SOREN V. MADSEN,  
Deceased.

)  
)  
) Case No. 50-82-08111  
)  
) NOTICE FOR FILING  
) OBJECTIONS TO PETITION  
) FOR PARTIAL DISTRIBUTION

NOTICE is hereby given that the Personal Representative of the referenced Estate has filed her Petition for Partial Distribution.

Any objections thereto must be filed in the Estate proceedings in the above Court on or before August 19, 1983.

DATED this 10th day of August, 1983.

PERRIN & GARTLAND, P.C.

By Mark W. Perrin  
MARK W. PERRIN  
Of Attorneys for the Estate

PERRIN & GARTLAND, P.C.  
P.O. BOX 11229  
EUGENE, OREGON 97440  
(503) 344-2174



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

IN THE CIRCUIT COURT OF THE STATE OF OREGON FOR LANE COUNTY

In the Matter of the Estate of

SOREN V. MADSEN,

Deceased.

)  
)  
) Case No. 50-82-08111  
)  
) ACKNOWLEDGMENT OF  
) NOTICE AND CONSENT  
) TO PARTIAL DISTRIBUTION

Each of the undersigned, as the only heirs of the Decedent, hereby acknowledge receipt of a true copy of the Petition for Partial Distribution, and a true copy of the Notice for Filing Objections to Petition for Partial Distribution, on the date set opposite my signature.

Further, I agree with the Petition for Partial Distribution, and hereby consent to the entry of an Order authorizing the partial distribution from the Estate by the payment of \$60,000 to the United States National Bank of Oregon, as trustee under that trust agreement between the Decedent and such Bank dated November 23, 1977.

DATED: \_\_\_\_\_

\_\_\_\_\_  
JANICE KELLY

DATED: \_\_\_\_\_

\_\_\_\_\_  
KAREN MYERS

DATED: \_\_\_\_\_

\_\_\_\_\_  
KARLA DEFOE

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

IN THE CIRCUIT COURT OF THE STATE OF OREGON FOR LANE COUNTY

In the Matter of the Estate of

SOREN V. MADSEN,

Deceased.

)  
)  
) Case No. 50-82-08111  
)  
) CONSENT TO  
) PARTIAL DISTRIBUTION

Receipt of the copy of the Petition for Partial Distribution is hereby  
acknowledged and consent to partial distribution as prayed for is hereby given pursuant  
to ORS 116.013(1).

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 1983.

OREGON DEPARTMENT OF REVENUE

By \_\_\_\_\_

PERRIN & GARTLAND, P.C.  
P.O. BOX 11229  
EUGENE, OREGON 97440  
(503) 344-2174

CONSENT TO PARTIAL DISTRIBUTION



AFFIDAVIT OF CONTRIBUTION TO  
JOINTLY OWNED PROPERTIES BY  
SURVIVING SPOUSE

That no portion of the said assets in Schedule "E" should be includable in the taxable estate of the late Lucille M. Madsen.

My Commission Expires 8/20/80

SCHEDULE "A"

SOREN V. MADSEN

882-1642577

November 23, 1977

CASH:

\$3,382.51 Equitable Savings & Loan Association 7-1/2% Certificate of Deposit #10551031 dated 1/10/75, due 1/9/79, Reg. n/o Soren Madsen and U. S. National Bank Trustee under agreement for Soren Madsen (certificate in possession of trustor)

\$22,489.30 U. S. National Bank of Oregon 7.25% Savings Certificate #20-00351005 dated 1/6/78, due 1/6/79, Reg. n/o Soren Madsen or U. S. National Bank of Oregon, Trustee under agreement n/o Soren V. Madsen (certificate in possession of trustor)

REAL PROPERTY:

Undivided one-half interest in the following described property:

Beginning at the Southwest corner of the Jesse Soverns Donation Land Claim No. 55 in Township 15 South, Range 4 West and Claim No. 39 in Township 15 South, Range 5 West of the Willamette Meridian, Lane County, Oregon; thence South 89° 34' 15" East along the South line of said claim a distance of 3772.00 feet to the point that bears North 89° 34' 15" West 2210.91 feet from the Southeast corner of said Soverns Claim; thence North 0° 25' 45" East 1036.02 feet to a point from which the Northeast corner of said Soverns Claim bears South 89° 36' 45" East 1096.01 feet, North 0° 14' 20" East 1304.82 feet and South 89° 40' 45" East 1111.44 feet; thence North 89° 36' 45" West 32.92 chains to the center line of the Pacific Highway; thence South 16° 24' 15" East (equivalent to the old bearing of South 16° 50' East) 8.35 chains; thence North 89° 34' 15" West (equivalent to the old bearing of West) 26.31 chains; thence South 0° 25' 45" West (equivalent to the old bearing of South) 7.805 chains to the place of beginning.

*S/Soren V. Madsen*  
Soren V. Madsen, Trustor

UNITED STATES NATIONAL BANK OF  
OREGON, Trustee

By: 

Trust Officer

SOREN V. MADSEN

SCHEDULE "A" - 2

**WILL**  
**OF**  
**KARLA KAY DEFOE**

I, Karla Kay Defoe, of Junction City, Oregon, declare that this is my Will and revoke all prior Wills and Codicils.

**ARTICLE 1**

**FAMILY**

I am married to Ronald Major Defoe, and all references to "my spouse" are to him. We have three adult children: Daniel Major Defoe, Kristine Marie Defoe, and Jaymie Madsen Defoe. References to "my children" include any child later born to or adopted by me.

**ARTICLE 2**

**LEGAL REPRESENTATIVES**

2.1 PERSONAL REPRESENTATIVE. I name my spouse as my personal representative. If my spouse fails to qualify or ceases to act as my personal representative, then I name Mark W. Perrin of Eugene, Oregon, as my personal representative.

2.2 TRUSTEE. I name Dennis Solin of Eugene, Oregon as trustee of any trust created by this Will. If he fails to qualify or ceases to act as trustee, I name Mark W. Perrin of Eugene, Oregon, as my trustee.

2.3 CONSERVATOR. If a conservator is necessary for my estate, then I name my spouse as my conservator.

**ARTICLE 3**

**SPECIFIC GIFTS AND SPECIAL DIRECTIONS**

3.1 TANGIBLE PERSONAL PROPERTY. If my spouse survives me, I give to my spouse any interest I have in household goods and furnishings, personal vehicles, recreational equipment, clothing, jewelry, personal effects, animals, and other tangible personal property for personal or household use, together with any insurance on this property. If my spouse does not survive me, I give this property in substantially equal shares to my surviving children to be divided among them as they agree or, if they do not agree, as my personal representative determines. I may leave a written document signed by me stating my wishes about the disposition of certain items of my tangible personal property. However, any document shall be only an expression of my wishes and shall not

KD

create any trust or binding obligation.

3.2 MADSEN FARM PROPERTY. I leave the farm in Lane County, Oregon, which I own because I inherited that property from my Father, Soren Madsen, being approximately 48 acres, with the improvements on such property, commonly known as 28597 Lingo Lane, Junction City, Lane County, Oregon, one share for each child who survives me and one share by right of representation for the then surviving descendants of each child who does not survive me, as tenants in common.

3.3 LETTER OF INSTRUCTIONS. I request but do not direct, that if either my spouse or I have left a list indicating who should receive particular items of my personal property, that such items should be distributed to the person named on that list. Any election or decision of my personal representative under this Article 3.2 shall be final and binding upon my heirs and beneficiaries.

3.4 COSTS OF PACKING AND SHIPPING. I direct my personal representative to pay as an expense of my estate all reasonable costs for packing, insuring, and delivering any tangible personal property to any beneficiary.

#### ARTICLE 4

##### RESIDUE

4.1 IF MY SPOUSE SURVIVES. If my spouse survives me, I give the residue of my estate to my spouse. However, if my spouse (or the personal representative of my spouse's estate) disclaims my spouse's interest in any portion of the residue of my estate, all of such portion shall be distributed to my trustee, to be held in the Disclaimer Trust and administered and distributed as follows:

4.1(a) DISTRIBUTIONS DURING SPOUSE'S LIFE. My trustee shall distribute all the income of the trust to or for the benefit of my spouse in quarterly or more frequent installments. In addition, my trustee shall distribute to or for the benefit of my spouse those amounts of principal which are necessary for my spouse's health, education, support, and maintenance to enable my spouse to maintain the standard of living which my spouse maintained in my lifetime.

4.1(b) DISTRIBUTION AT SPOUSE'S DEATH. At my spouse's death, the Disclaimer Trust shall terminate and my trustee shall distribute the remaining trust property as provided in section 4.2, as if my spouse and I had died at the termination of the Disclaimer Trust.

4.2 IF MY SPOUSE DOES NOT SURVIVE. If my spouse does not survive me, then I give the residue of my estate in equal shares to

AD



my children, one share for each child who survives me and one share by right of representation for the then surviving descendants of each child who does not survive me.

4.3 CONTINGENT BENEFICIARIES. If neither my spouse nor any of my descendants survive me, I give the residue of my estate as follows:

One-half to those persons surviving me who would be entitled to receive my intestate property as determined by Oregon law at the time of my death.

One-half to those persons surviving me who would be entitled to receive my spouse's intestate property as determined by Oregon law at the time of my death.

## ARTICLE 5

### PERSONAL REPRESENTATIVE

5.1 NO BOND REQUIRED. No bond shall be required of any individual named in this Will as my personal representative.

5.2 POWERS. I give my personal representative all powers conferred on a personal representative by Oregon law as now existing or later amended, whether or not those powers are exercised in Oregon.

5.3 TRANSFER TO CUSTODIAN. To the extent permitted by Oregon law, if any interest passes under this Will to a person under the age of 21, I authorize my personal representative to transfer that interest to a custodian for that person under the Oregon Uniform Transfers to Minors Act until the person attains the age of 21 years.

## ARTICLE 6

### TRUST ADMINISTRATION

6.1 NO TRUST BENEFICIARY. Except as otherwise provided in section 6.2, if at any time there remains no named or described beneficiary of any trust, my trustee shall distribute the remainder of the trust as provided in article 4, as if my spouse and I had died at the termination of the trust.

6.2 NONASSIGNMENT. The interest of any beneficiary in income or principal may not be voluntarily or involuntarily anticipated, alienated, or encumbered and shall not be subject to claims of creditors or others or to legal process. The limitations in this section shall not restrict the exercise of any power of appointment or the right to disclaim. However, no beneficiary shall be

KD

entitled, by use of disclaimer, either to accelerate the time when any distribution would otherwise be made to that beneficiary or to cause any trust to terminate and be distributed to that beneficiary outright prior to the trust's normal termination date.

6.3 RULE AGAINST PERPETUITIES. Despite any other provision of this instrument, each trust created by this instrument shall terminate and be distributed to the persons then entitled to distributions of income, in the manner and proportions stated in this instrument (or, if not stated, then equally) and regardless of their ages, not later than 21 years after the death of the last survivor of my spouse and my descendants living at my death. If no beneficiary is entitled to receive income, each trust shall be distributed as if it had then terminated in accordance with its terms.

6.4 UNDISTRIBUTED INCOME. Any trust income not distributed shall be added to and become part of the principal of the trust. Income accrued or undistributed at the termination of a beneficiary's interest in a trust shall be added to and become part of the principal of that trust, and any rights of that beneficiary to that income shall terminate.

6.5 CONSIDERATION OF OTHER INCOME OR PROPERTY. In making discretionary distributions, my trustee may, but is not required to, consider any other income, support, or property available to the beneficiary.

6.6 CONSOLIDATION OF TRUSTS. My trustee may consolidate any trust created by this instrument with any other trust if the trusts have the same beneficiaries and are substantially identical.

6.7 LIFE INSURANCE PROCEEDS. My trustee shall collect the proceeds of any life insurance policy for which my trustee is the beneficiary, and shall hold those proceeds under the terms of this instrument. Payment to my trustee shall be a full discharge of the insurance company on account of the policy, and the insurance company shall not be responsible for the proper discharge of the trust. My trustee has no duty to begin collection proceedings or litigation to enforce payment of any life insurance policies until reasonable provision has been made to indemnify my trustee for all anticipated expenses and liabilities.

## ARTICLE 7

### TRUSTEE POWERS

As to each trust created by this instrument, my trustee shall have all powers conferred on a trustee by Oregon law as now existing or later amended. In addition, my trustee shall have the power to:



7.1 MANAGE AND DISPOSE OF ASSETS. Manage, maintain, improve, lease, grant options on, encumber, sell, exchange, or otherwise dispose of part or all of the trust estate in any manner and on any terms my trustee considers beneficial to the trust estate.

7.2 RETAIN ASSETS. Retain any property and continue to operate any business for so long as my trustee considers retention of probable benefit to the trust estate and the trust beneficiaries.

7.3 MAKE INVESTMENTS. Invest and reinvest the trust estate in common or preferred stocks, bonds, mutual funds, common trust funds, secured and unsecured obligations, mortgages, and other property, real or personal, which my trustee considers advisable and in the best interest of the trust estate, whether or not authorized by law for the investment of trust funds.

7.4 RECEIVE COMPENSATION. Receive reasonable compensation for my trustee's own services and reimbursement for expenses incurred in administering the trust estate.

7.5 ADVANCE FUNDS OR BORROW. Advance my trustee's own funds to the trust for any trust purposes at prevailing rates of interest (with any advance to be a lien on the trust estate) and borrow money for those purposes and upon those terms and conditions which my trustee considers to be in the best interest of the trust estate.

7.6 PURCHASE ASSETS AND MAKE LOANS. Purchase assets at their fair market value (as determined by my trustee) from my probate estate or my spouse's probate or trust estate, and make secured or unsecured loans to my probate estate or my spouse's probate or trust estate, for any reason my trustee believes will benefit my probate estate or my spouse's probate or trust estate.

7.7 COMBINE MANAGEMENT OF SEPARATE TRUSTS. Hold the trust estate as an undivided whole without separation into any separate trusts for as long as my trustee considers suitable and allot undivided interests in any asset to any separate trusts, but no undivided holding shall defer vesting or distribution under the trusts.

7.8 CHOOSE MANNER OF MAKING DISTRIBUTION. Make any distribution in any of the following ways to a beneficiary who is a minor, incapacitated, under legal disability, or considered by my trustee to be unable to handle property if paid to the beneficiary directly, without liability to my trustee:

7.8(a) Directly to the beneficiary.

7.8(b) To a custodian for that person under the Oregon

KD

Uniform Transfers to Minors Act until the person attains the age of 25 years.

7.8(c) To the beneficiary's guardian, conservator, or any other fiduciary for the beneficiary.

7.8(d) To any person or organization furnishing health care, education, support, or maintenance.

7.9 DEAL WITH ENVIRONMENTAL MATTERS. Inspect and monitor property to determine compliance with environmental laws, take action to prevent or remedy violations, settle environmental claims, decline to accept property which could result in liability under environmental laws or impair the value of the trust estate, and disclaim any power which could cause my trustee to incur personal liability for violation of environmental laws. My trustee shall not be liable to any trust beneficiary for any decrease in the value of the trust estate as a result of these actions.

7.10 DO OTHER ACTS. Except as otherwise provided in this instrument, do all acts that might legally be done by an individual in absolute ownership and control of property and which in my trustee's judgment are necessary or desirable for the proper and advantageous management of the trust estate.

## ARTICLE 8

### TRUSTEE

8.1 RESIGNATION OF TRUSTEE. My trustee may resign the trusteeship at any time. Any resignation shall be in writing and shall become effective only upon written acceptance of the trust by a successor trustee.

8.2 DESIGNATION OF SUCCESSOR TRUSTEE. If a trust has no trustee and no successor is named in this instrument, any court having jurisdiction may appoint a successor trustee at the request of any person interested in the trust.

8.3 REPORT OF TRUSTEE. At least annually and at the termination of the trust, my trustee shall provide a report to each trust beneficiary who currently is a mandatory or discretionary recipient of trust income or principal. In addition, my trustee shall provide a report upon ceasing to be trustee, unless a co-trustee remains in office. My trustee's report shall include a list of the trust assets (and market values, if feasible), liabilities, receipts, and disbursements, including the source and amount of my trustee's compensation. A personal representative or other fiduciary may provide the report on behalf of a deceased or incapacitated trustee. A beneficiary may waive the right to receive a copy of my trustee's report, may waive the right to



receive future reports, and may withdraw a waiver of a future report previously given.

8.4 REPRESENTATION. Any person who is not of legal age or capacity, who is entitled to request the resignation of my trustee, to appoint a successor trustee, or to receive or waive my trustee's report, shall act through a representative. The representative shall be the person's guardian or, if the person has no guardian, the person's parent (with priority to any parent who is a relative of mine by blood or adoption).

8.5 TRANSFER TO SUCCESSOR TRUSTEE. Upon acceptance, a successor trustee shall succeed to all rights, powers, and duties of the trustee. All right, title, and interest in the trust property shall vest in the successor. The prior trustee shall, without warranty, transfer the existing trust property to the successor trustee. A successor trustee shall not have any duty to examine the records or actions of any former trustee and shall not be liable for the consequences of any act or failure to act of any former trustee.

8.6 NO BOND REQUIRED. No bond or other undertaking shall be required of any individual trustee of any trust.

## ARTICLE 9

### GENERAL ADMINISTRATIVE PROVISIONS

9.1 SURVIVORSHIP. My spouse shall be considered to survive me if the order of our deaths cannot be proven or if my spouse survives me for any period, no matter how short. Any other beneficiary under this Will shall be considered to survive me only if the beneficiary is living on the ninetieth day after the date of my death.

9.2 DESCENDANTS. "Descendants" means all naturally born or legally adopted descendants of the person indicated. Distribution to a person's descendants by "right of representation" means a division into equal shares, counting one share for each living descendant at the nearest generation containing at least one living taker and one share for each deceased descendant at that generation who leaves one or more then surviving descendants. Each living descendant at the nearest generation receives one share. The share of each deceased descendant at that generation passes by right of representation to his or her then surviving descendants.

### 9.3 TAXES.

9.3(a) GENERAL DIRECTION TO PAY DEATH TAXES. Except as provided in section 9.3(b), I direct my personal representative to pay out of the residue of my estate, without apportionment, all

KD

estate, inheritance, and other death taxes (including interest and penalties) payable by reason of my death on property passing under this Will. If my residue is insufficient to pay all such death taxes, the excess shall be apportioned according to Oregon law. All death taxes on property not passing under this Will shall be apportioned according to Oregon law.

9.3(b) SPECIAL DIRECTIONS. Death taxes payable by reason of my death on property passing under this Will shall be charged against the gifts made under this Will in the following priority order: (1) any Disclaimer Trust, (2) any other gift for which the neither the federal estate tax charitable deduction nor the federal estate tax marital deduction is allowed to my estate, (3) any gift for which the federal estate tax charitable deduction is allowed to my estate, (4) any gift for which the federal estate tax marital deduction is allowed to my estate.

9.4 DEBTS AND EXPENSES. I direct my personal representative to pay out of the residue of my estate my debts as they come due, and my funeral and estate administration expenses.

9.5 ELECTIONS, DECISIONS, AND DISTRIBUTIONS. I authorize my personal representative and my trustee, if any, to make any election or decision available to my estate or trust under federal or state tax laws, to make pro rata or non-pro rata distributions without regard to any differences in tax basis of assets distributed, and to make distributions in cash, in specific property, in undivided interests in property, or partly in cash and partly in property. The good faith decisions of my personal representative or trustee in the exercise of these powers shall be conclusive and binding on all parties, and my personal representative or trustee need not make any adjustments among beneficiaries because of any election, decision, or distribution.

9.6 CHANGE IN CORPORATE FIDUCIARY. If any corporate fiduciary is merged or voluntarily liquidated into or consolidated with another entity having the required fiduciary powers, the successor shall have all powers granted to the original corporate fiduciary.

9.7 NO BENEFIT FOR OTHERS. I intend to benefit only the persons I have named or described in this instrument. I do not intend to benefit any other person, including any spouse of any person who is a beneficiary under this instrument. If the property of any beneficiary is subject to division with his or her spouse because of legal separation or dissolution of marriage, I express my strong desire that any interest that the beneficiary may have in my probate or trust estate not be considered a marital asset.

9.8 GOVERNING LAW. The validity and construction of my Will shall be determined under Oregon law in effect on the date my Will is signed.

KD

9.9 CAPTIONS. The captions are inserted for convenience only. They are not a part of this instrument and do not limit the scope of the section to which each refers.

IN WITNESS WHEREOF, I have signed and do declare this instrument, including any page for the witnesses' signatures, to be my Will this 8<sup>th</sup> day of April, 2005.

Karla Kay Defoe  
KARLA KAY DEFOE

On the date of the foregoing Will of Karla Kay Defoe, I saw her sign it. Upon her declaration that it was her Will, I signed my name below as a witness.

Marion J. Nelson

Residing at 96035 Noraton Rd.

Junction City, Ore - 97448

Barton M. J.

Residing at 93370 Hwy 99 S

Junction City, OR 97448

KD

AFFIDAVIT OF WITNESSES

STATE OF OREGON:

County of Lane:

We, MARLENE J. NELSON and Kristine M. Defoe,  
being severally sworn, each say: On the date of the attached Will  
of Karla Kay Defoe, I saw her sign it. Upon her declaration that  
it was her Will, at her request and in her presence, and in the  
presence of the other witnesses, I attested the Will by signing my  
name thereto.

To the best of my knowledge and belief, she was, at that time,  
at least 18 years of age and of sound mind.

Marlene J. Nelson

Residing at 96035 Norcaton Rd.

Kristine M. Defoe

Junction City, Ore. 97448  
Residing at 93370 Hwy 99 S

Junction City, OR 97448

SUBSCRIBED AND SWORN to by each of the affiants above-named  
this 8<sup>th</sup> day of April, 2005.



Barbara Holmes  
Notary Public for Oregon  
My Commission Expires: \_\_\_\_\_

AFFIDAVIT OF WITNESSES