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Department of State
Division of Corporations
P.O. Box 6327
Tallahassee, FL 32314

SUBJECT: Kenneth S. Kitholos Interchange Trust

Enclosed is an original and one (1) copy of the Declaration of Trust and a check for:

FEES:

Declaration of Trust

\$350.00

OPTIONAL:

Certified Copy

\$ 8.75

100007336171--8

-08/26/02--01043--002

****358.75 ****358.75

FROM:

K. Kitholos

Name (Printed or typed)

691 NW 12TH AVENUE

Address

DANIA BEACH FL 33004

City, State & Zip

904-358-1234

Daytime Telephone number

02 AUG 26 PM 1:57

FILED
SECRETARY OF STATE
DIVISION OF CORPORATIONS

RECEIVED AUG 26 2002

33

**AFFIDAVIT TO THE FLORIDA SECRETARY OF STATE
TO FILE OR QUALIFY**

KENNETH S KIDLOS IRREVOCABLE TRUST

A FLORIDA TRUST

In accordance with Section 609.02 of the Florida Statutes, pertaining to Common Law Declarations of Trust, the undersigned, the Chairman of the Board of Trustees of KENNETH S. KIDLOS IRREVOCABLE TRUST, a
(Name of Trust)

FLORIDA Trust hereby affirms in order to file or qualify
(State)
KENNETH S. KIDLOS IRREVOCABLE TRUST, in the State of Florida.
(Name of Trust)

1. Two or more persons are named in the Trust.

2. The principal address is 691 NW 12TH AVENUE

DANIA BEACH FL 33004

3. The registered agent and street address in the State of Florida is:

130 N.E. 4TH AVE

DEERFIELD BEACH FL 33441 - MORRIS LIMUM, C. P.A.

4. Acceptance by the registered agent: Having been named as registered agent to accept service of process for the above named Declaration of Trust at the place designated in this affidavit, I hereby accept the appointment as registered agent and agree to act in this capacity.

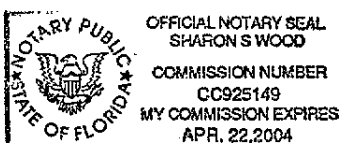
M. Limum
(Signature of Registered Agent)

5. I certify that the attached is a true and correct copy of the Declaration of Trust under which the association proposes to conduct its business in Florida.

K. Kidlos
Name:
Chairman of the Board of Trustees

Filing Fee: \$350.00
Certified Copy: \$ 8.75 (optional)

CR2E063(3/00)



02 AUG 26 PM 1:57
SECRETARY OF STATE
DIVISION OF CORPORATIONS

TRUST AGREEMENT
FOR THE
KENNETH S. KHOLOS IRREVOCABLE TRUST

Prepared by
Steven E. Eisenberg
Steven E. Eisenberg, P.A.
Ft. Lauderdale, Florida 33312
954 981 6533

TRUST AGREEMENT

02 AUG 26 PM 1:57

FOR THE

KENNETH S. KHOLOS IRREVOCABLE TRUST

Kenneth S. Kholos, as Grantor, hereby creates the Kenneth S. Kholos Irrevocable Trust ("the Trust") on 9/8, 2000. Mervin Kholos and Morris Ginum, C.P.A. are the trustees of this Trust and, in that capacity, they and their successors are collectively referred to in this Trust Agreement as the "Trustees."

ARTICLE 1

FAMILY

I am not married. I have been previously married and have two children from that marriage, Kenneth Eric Kholos and Brandon Kholos. References to "my children" mean my children named above, as well as any other children of mine born or adopted after the execution of this Trust.

ARTICLE 2

TRANSFERS TO TRUST

The Grantor hereby conveys to the Trustees Ten Dollars (\$10), which together with any assets later added to this Trust are referred to as the "Trust Estate." Any person may transfer assets to the Trust Estate, if the Trustees agree to accept them. Unless otherwise specified in writing at the time of the transfer, those assets will be held as provided in this Trust Agreement. The Trustees acknowledge receipt of the current Trust assets and agree to hold the Trust Estate as set forth in this Trust Agreement. Gifts to this Trust are subject to withdrawal rights as provided in Article 10.

ARTICLE 3

IRREVOCABLE PROVISION

The Grantor declares that he has no right to alter, amend, modify, or revoke this Trust Agreement; to withdraw assets from the Trust; or to require changes in the investments of the Trust. No part of the Trust may ever revert to the Grantor, be used for his benefit, or be distributed in discharge of his legal obligations.

ARTICLE 4

ADMINISTRATION DURING THE GRANTOR'S LIFETIME

The Trustees shall hold and administer the Trust Estate during the Grantor's lifetime as follows:

4.1 Payment of Income. After any payments required under Section 18.2, the Trustees in their discretion may pay any remaining income of the Trust to the Grantor's descendants that they deem advisable or necessary for their health, education, support,

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and maintenance. If an Independent Trustee is then serving, it may distribute any income of the Trust that it determines in its discretion to be in the best interests of the Grantor's descendants.

4.2 Distribution of Remaining Assets. As soon as practicable after the Grantor's death, all assets remaining in the Trust are to be distributed as provided in Article 5.

ARTICLE 5 ADMINISTRATION AFTER THE GRANTOR'S DEATH

Upon the Grantor's death and after making provision for any transactions under Section 20.5, the Trustees shall hold all remaining assets of the Trust Estate as a separate trust (the "Family Trust"), for administration as provided in Article 6.

ARTICLE 6 ADMINISTRATION OF FAMILY TRUST

The Trustees shall hold all assets of the Family Trust under the following terms:

6.1 Single Fund for Education. It is the Grantor's primary intent and desire to provide for the education of his children in the manner specified in this Trust Agreement. The Grantor therefore directs that the Family Trust be kept in a single fund until its division as specified below, and that the Trustees pay such sums as they deem necessary or advisable for the education of each of the Grantor's children in a manner commensurate with that child's ability, to include attendance at one or more educational institutions at any level. The Trustees in their discretion also may pay any amounts of the Family Trust that they deem advisable or necessary for the Grantor's children to provide for their health, support, and maintenance.

6.2 Distribution of Family Trust. When none of the Grantor's children then living are under age 21, or sooner if the Trustees in their discretion determine that all children under that age have had the opportunity to complete their education as provided above, the Trustees shall divide the entire remaining Family Trust into separate shares for the Grantor's then living descendants, per stirpes. The Trustees shall hold each beneficiary's share as a separate trust under Article 7.

6.3 If No Descendants Survive. If the Grantor has no descendants living at the time for termination of the Family Trust, the Trustees shall distribute the remaining assets of the Family Trust to the Grantor's heirs at law, determined at that time as if he had died unmarried and intestate under Florida law then in effect, subject to Article 8.

ARTICLE 7 TRUSTS FOR DESCENDANTS

The Trustees shall hold, administer, and distribute any trust created for a descendant of the Grantor as follows:

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7.1 Discretionary Distributions. The Trustees shall pay or apply such sums of income or principal from each beneficiary's separate trust as in the Trustees' discretion are necessary or advisable for the health, education, support, and maintenance of the beneficiary for whom this separate trust was established.

7.2 Income Payments. When the beneficiary for whom a separate trust was established reaches age 21, the current income of that trust is to be distributed thereafter to the beneficiary or applied for his or her benefit quarterly or more frequently.

7.3 Payments to Family. After being reasonably assured that the beneficiary has sufficient means for his or her continued support, the Trustees in their discretion also may pay any sums of principal that they deem necessary or advisable for the health, education, support, and maintenance of the beneficiary's descendants.

7.4 Withdrawal Fund. When the beneficiary reaches age 25, or when the beneficiary's trust is established if he or she has already reached that age, the Trustees shall transfer to a separate trust fund (the "Withdrawal Fund") one-half of the remaining principal of that beneficiary's trust. When the beneficiary reaches age 30, the Trustees shall transfer all of the remaining trust assets held in trust for that beneficiary to the Withdrawal Fund.

7.5 Administration of Withdrawal Fund. The Trustees shall administer a beneficiary's Withdrawal Fund as provided in Section 7.1. The beneficiary may withdraw all or any part of his or her Withdrawal Fund at any time while living by signing and delivering written instructions to the Trustees.

7.6 General Power of Appointment. If any portion of the beneficiary's separate trust is not wholly exempt from generation-skipping tax, he or she may appoint assets by exercise of this testamentary general power of appointment as provided in Article 14.

7.7 Distribution Without Appointment. Upon the death of the beneficiary for whom a separate trust was established, the Trustees shall divide the trust assets not effectively appointed into shares for that beneficiary's descendants, per stirpes; or if there are none, for the then living descendants, per stirpes, of that beneficiary's closest ancestor in degree who is also a descendant of the Grantor; or if there are none, for the Grantor's then living descendants, per stirpes. The Trustees shall hold the shares for those descendants as separate trusts as provided in this article. If any assets are then being held in trust for that descendant, the assets passing to that descendant under this paragraph are to be added to the trust held for that descendant. If any trust has terminated, its share of those assets will be distributed to the persons who would then have been the beneficiaries of that trust had it not terminated.

7.8 Alternative Distribution. If none of the beneficiaries under the preceding provisions survive to receive full distribution of the Trust Estate, the Trustees shall distribute all remaining assets to the Grantor's heirs at law, determined at that time as if

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he had died unmarried and intestate under Florida law then in effect. The share of each such person will be held in trust for that person under the terms of this article. If any assets are then being held in trust for that person under this instrument, the assets passing to that person will be added instead to the trust held for that person.

ARTICLE 8 STANDBY TRUST

If any assets are distributable under this Trust Agreement (other than by exercise of a power of appointment) to a person who has not then reached age 21, or who in the judgment of the Trustees is incapacitated or incompetent, the Trustees will hold that person's share in trust for his or her benefit. In determining any incapacity or incompetency, the Trustees may rely conclusively upon the opinion of a medical doctor retained by them to make such a determination. The Trustees may apply so much of the income and principal of this separate trust that they consider necessary or desirable for the person's health, education, support, and maintenance. Any undistributed income is to be added to principal periodically. When the person reaches age 21 or when that incapacity or incompetency, in the judgment of the Trustees, ceases to exist, the Trustees shall distribute the remaining assets of this separate trust to that person. If that person dies before complete distribution of this separate trust, the remaining trust assets are to be distributed, subject to this article, to

- (a) that person's then living descendants, per stirpes; or if none,
- (b) to the then living descendants, per stirpes, of that person's closest ancestor in degree who is also a descendant of the Grantor's; or if none,
- (c) to the Grantor's then living descendants, per stirpes; or if none,
- (d) to the Grantor's heirs at law, determined under Florida law then in effect as if the Grantor had died intestate and unmarried on that date as a resident of Florida

This article is to be effective only and is limited in duration to the extent that it does not result in any violation of any applicable rule against perpetuities or similar law.

ARTICLE 9 PROVISIONS GOVERNING TRUSTEES

The following provisions apply to all Trustees appointed under this Trust Agreement:

9.1 Incapacity of Trustee. If any Trustee becomes disabled (as defined in this Trust Agreement), he or she will immediately cease to act as Trustee. If a Trustee who ceases to serve because of a disability thereafter recovers from that disability, he or she will automatically become a Trustee again, and the last successor Trustee who undertook to serve will automatically cease to be a Trustee until another successor Trustee is required.

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9.2 Resignation. Any Trustee may resign by giving 30 days' written notice delivered personally or by mail to any then serving Cotrustee and to the Grantor if he is then living and not disabled; otherwise to the next named successor Trustee, or if none, to the persons having power to appoint successor Trustees.

9.3 Power to Name Other Trustees. Whenever a successor Trustee is required and that position is not filled under the terms specified in this Trust Agreement, if the Grantor is alive and not disabled, he may name a successor Trustee; otherwise a majority in interest of the permissible current income beneficiaries, including the natural or legal guardians of any beneficiaries who are not then legally competent, shall appoint a successor Corporate Trustee. The appointment will be by a written document (including a testamentary instrument) delivered to the appointed Trustee and to the Grantor if he is living and not disabled. In no event may the Grantor ever be appointed as the Trustee under this Trust Agreement.

9.4 Removal of Trustees. After the Grantor's death or disability, the right to remove Trustees may be exercised as follows:

(a) **Removal for Cause.** All Trustees may be removed by the persons then entitled to appoint successor Trustees for cause for any of the following reasons:

- (1) The willful or negligent mismanagement of the trust assets by that individual Trustee;
- (2) The abuse or abandonment of, or inattention to, the trust by that individual Trustee;
- (3) A federal or state charge against that individual Trustee involving the commission of a felony or serious misdemeanor;
- (4) An act of theft, dishonesty, fraud, embezzlement, or moral turpitude by that individual Trustee; or
- (5) The use of narcotics or excessive use of alcohol by that individual Trustee.

The removal of an individual Trustee under this paragraph will be effective immediately upon delivery to him or her of the written agreement for removal signed by all of the persons whose consent is required.

(b) **Acceptance Required.** If there are no successor Trustees named in this Trust Agreement who are eligible and willing to serve, a removal notice must name a Corporate Trustee as a successor Trustee, and a qualified successor Trustee must accept appointment within the period of the removal notice.

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(c) **Exceptions.** Despite the foregoing, no person proposed to be removed as Trustee may participate in exercising this removal power, and no person to whom distributions have been suspended under Article 13 may participate in exercising this removal power during that suspension and for one year after that suspension is no longer in effect. Any such persons will not be counted in determining the required votes for removal.

9.5 Powers of Successor Trustees. Successor Trustees will have all powers granted to the original Trustees, except that only an Independent Trustee will succeed to the powers vested exclusively in the Independent Trustee.

9.6 Accountings. Accountings must be given to the beneficiaries at least annually (quarterly if a Corporate Trustee is serving). The accountings must show the assets held in trust and all receipts and disbursements. A beneficiary's written approval of an accounting will be final and binding upon that beneficiary and all persons represented by him or her as to all matters disclosed in that accounting. In any event, if a beneficiary fails to object to an accounting within six months of receiving it, his or her approval is conclusively presumed. A successor Trustee may require the prior Trustee to render a full and final accounting.

9.7 Acts by Other Fiduciaries. The Trustees are not required to question any acts or failures to act of the fiduciary of any other trust or estate, and will not be liable for any prior fiduciary's acts or failures to act. The Trustees can require a beneficiary who requests an examination of another fiduciary's actions or omissions to advance all costs and fees incurred in the examination, and if the beneficiary does not, the Trustees may elect not to proceed or may proceed and offset those costs and fees directly against any payment that would otherwise be made to that beneficiary.

9.8 Court Supervision. The Grantor waives compliance by the Trustees with any law requiring bond, registration, qualification, or accounting to any court.

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9.9 Compensation. Each Trustee is entitled to be paid reasonable compensation for services rendered in the administration of the Trust. Reasonable compensation for a Corporate Trustee will be its published fee schedule in effect when its services are rendered unless otherwise agreed in writing, and except as follows. Any fees paid to a Corporate Trustee for making principal distributions, for termination of the trust, and upon termination of its services must be based solely on the value of its services rendered, not on the value of the trust principal. During the Grantor's lifetime the Trustees' fees are to be charged wholly against income (to the extent sufficient), unless directed otherwise by the Grantor in writing.

9.10 Indemnity. Any Trustee who ceases to serve for any reason will be entitled to receive (and the continuing Trustees shall make suitable arrangements to provide) reasonable indemnification and security to protect and hold that Trustee harmless from any damage or liability of any nature that may be imposed upon it because of its actions or omissions while serving as Trustee. This protection, however, does not extend to a Trustee's negligent actions or omissions that clearly and demonstrably result in damage or liability. A prior Trustee may enforce these provisions against the current Trustees or against any assets held in the Trust, or if the prior Trustee is an individual, against any beneficiary to the extent of distributions received by that beneficiary. This indemnification right will extend to the estate, personal representatives, legal successors, and assigns of a Trustee.

9.11 Multiple Trustees. If two Trustees are serving at any time, any power or discretion of the Trustees may be exercised only by their joint agreement. Either Trustee may delegate to the other Trustee the authority to act on behalf of both Trustees and to exercise any power held by the Trustees. If more than two Trustees are serving at any time, and unless unanimous agreement is specifically required by the terms of this Trust Agreement, any power or discretion of the Trustees may be exercised only by a majority. The Trustees may delegate to any one or more of themselves the authority to act on behalf of all the Trustees and to exercise any power held by the Trustees. Trustees who consent to the delegation of authority to other Trustees will be liable for the consequences of the actions of those other Trustees as if the consenting Trustees had joined the other Trustees in performing those actions. A dissenting Trustee who did not consent to the delegation of authority to another Trustee and who has not joined in the exercise of a power or discretion cannot be held liable for the consequences of the exercise. A dissenting Trustee who joins only at the direction of the majority will not be liable for the consequences of the exercise if the dissent is expressed in writing delivered to any of the other Trustees before the exercise of that power or discretion. Despite the above, only an Independent Trustee may exercise the powers and discretions vested exclusively in Independent Trustees.

ARTICLE 10
WITHDRAWAL POWERS

Each of the Grantor's children (individually referred to in this article as a "demand beneficiary") will have the following rights with respect to any contribution to the Trust, unless directed otherwise by the donor at the time of the gift.

10.1 Withdrawal. During any calendar year in which property is transferred into this Trust as a gift, a demand beneficiary may request from the Trustees, within 30 days after that beneficiary receives notice of the transfer, the immediate distribution to that beneficiary of an amount equal to his or her pro rata share of the property transferred. The legal or natural guardian of a demand beneficiary may make demand on that beneficiary's behalf and hold any property so received for that beneficiary's use and benefit.

10.2 Limitation. No demand beneficiary may withdraw in the aggregate more than the annual exclusion from gift tax allowable under Section 2503(b) of the Internal Revenue Code, unless the donor of the property is married at the time of the gift, in which case a demand beneficiary may withdraw an aggregate amount not to exceed twice that annual exclusion, reduced by any contributions made by the donor's spouse during that year.

10.3 Power to Modify. If specified in a written instrument signed by the donor and delivered to the Trustees when a gift is made to the Trust, the donor can (i) exclude any one or more of the current demand beneficiaries from those eligible to withdraw that gift, (ii) increase or decrease the amount subject to the withdrawal right with respect to that gift (but the withdrawal rights cannot be greater than the amount of that gift), and (iii) change the period or manner in which the withdrawal right can be exercised for that gift.

10.4 Application. This withdrawal right is noncumulative and applies only to lifetime gifts, but otherwise applies despite any provision of the Trust to the contrary. A demand beneficiary's withdrawal rights will commence immediately upon the transfer of the contributed assets to the Trustees.

10.5 Notice. The Trustees shall notify a demand beneficiary in writing of his or her withdrawal right promptly after the Trustees receive the contributed assets. The Trustees shall comply with a timely demand for distribution under this article without liability for their compliance.

10.6 Lapse of Power. Despite any contrary provision of this Trust Agreement, to the extent that the failure by a demand beneficiary to withdraw his or her share of gifts to the Trust would be considered a release of a power of appointment as provided in Section 2514 of the Internal Revenue Code (referred to as "Excess Property"), the power to withdraw that Excess Property will not lapse but will continue in effect until such time, and to the extent that, the lapse of any portion of the Excess Property no longer

constitutes a release as provided in Section 2514 of the Internal Revenue Code. At that time, the right to withdraw that portion will lapse, except that any withdrawal right still within the 30 day period described in Section 10.1 will not lapse, if at all, before the end of that period. Upon the demand beneficiary's death, all of his or her remaining withdrawal rights will lapse.

ARTICLE 11 SURVIVAL PROVISIONS

If any beneficiary is required to survive the Grantor or another person to receive a distribution, and if the beneficiary does not survive the Grantor or that other person by 90 days, or if that beneficiary cannot be located within one year after the Grantor's death despite reasonable attempts by the Trustees to locate that beneficiary, the beneficiary will be treated as if he or she died before the Grantor or that other person.

ARTICLE 12 PROTECTION OF INTERESTS

The interest of any beneficiary under this Trust Agreement, in either income or principal, may not be anticipated, alienated, or in any other manner assigned by the beneficiary and will not be subject to any legal process, bankruptcy proceedings, or the interference or control of the beneficiary's creditors or others.

ARTICLE 13 SUBSTANCE ABUSE

If the Trustees reasonably believe that a beneficiary of any trust:

- routinely or frequently uses or consumes any illegal substance so as to be physically or psychologically dependent upon that substance, or
- is clinically dependent upon the use or consumption of alcohol or any other legal drug or chemical substance that is not prescribed by a board certified medical doctor or psychiatrist in a current program of treatment supervised by such doctor or psychiatrist,

and if the Trustees reasonably believe that as a result the beneficiary is unable to care for himself or herself, or is unable to manage his or her financial affairs, all mandatory distributions (including distributions upon termination of the trust) to the beneficiary, all of the beneficiary's withdrawal rights, and all of the beneficiary's rights to participate in decisions concerning the removal and appointment of Trustees will be suspended. In that event, the following provisions will apply:

13.1 Testing. The Trustees may request the beneficiary to submit to one or more examinations (including laboratory tests of bodily fluids) determined to be appropriate by a board certified medical doctor and to consent to full disclosure to the Trustees of the results of all such examinations. The Trustees shall maintain strict

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confidentiality of those results and shall not disclose those results to any person other than the beneficiary without the prior written permission of the beneficiary. The Trustees may totally or partially suspend all distributions otherwise required or permitted to be made to that beneficiary until the beneficiary consents to the examination and disclosure to the Trustees.

13.2 Treatment. If, in the opinion of the examining doctor, the examination indicates current or recent use of a drug or substance as described above, the examining doctor will determine an appropriate method of treatment for the beneficiary (for example, counseling or treatment on an in-patient basis in a rehabilitation facility) that is acceptable to the Trustees. If the beneficiary consents to the treatment, the Trustees shall pay the costs of treatment directly to the provider of those services from the distributions suspended under this article.

13.3 Resumption of Distributions. The Trustees may resume other distributions to the beneficiary (and the beneficiary's other suspended rights will be restored) when, in the case of use or consumption of an illegal substance, examinations indicate no such use for two months and, in all cases, when the Trustees in their discretion determine that the beneficiary is able to care for himself or herself and is able to manage his or her financial affairs.

13.4 Disposition of Suspended Amounts. When other distributions to the beneficiary are resumed, the remaining balance, if any, of distributions that were suspended may be distributed to the beneficiary at that time. If the beneficiary dies before distribution of those suspended amounts, the Trustees shall distribute the balance of the suspended amounts to the persons who would be the alternate takers of that beneficiary's share (or takers through the exercise of a power of appointment) as otherwise provided in this Trust Agreement.

13.5 Exoneration. No Trustee (nor any doctor retained by the Trustees) will be responsible or liable to anyone for a beneficiary's actions or welfare. The Trustees have no duty to inquire whether a beneficiary uses drugs or other substances as described in this article. The Trustees (and any doctor retained by the Trustees) are to be indemnified from the Trust Estate and held harmless from any liability of any nature in exercising their judgment and authority under this article, including any failure to request a beneficiary to submit to medical examination, and including a decision to distribute suspended amounts to a beneficiary.

13.6 Tax Savings Provision. Despite the provisions of this article, the Trustees cannot suspend any mandatory distributions or withdrawal rights that are required for that trust to become or remain a Qualified Subchapter S Trust (unless the Trustees elect for the trust to be an Electing Small Business Trust), or to qualify for any federal transfer tax exemption, deduction, or exclusion allowable with respect to that trust.

ARTICLE 14
GENERATION-SKIPPING TAX PROVISIONS

The Grantor intends for this Trust Agreement to be interpreted and administered in a way that will minimize generation-skipping transfer ("GST") taxes, but in a manner consistent with directions for division and distribution of the Trust Estate. This is to be achieved by the proper allocation of the Grantor's GST exemption and, to the greatest extent possible, the creation of trusts having an inclusion ratio of either zero or one. All other provisions of this Trust Agreement are subject to this article.

14.1 Definitions. The terms used in this article have the meaning given to them in Chapter 13 of the Internal Revenue Code. "Exempt trust" or "exempt property" means a trust (or trust equivalent) or property that has a GST inclusion ratio of zero. "Nonexempt trust" or "nonexempt property" means a trust (or trust equivalent) or property that has a GST inclusion ratio greater than zero.

14.2 Division Into Separate Trusts. If the value (for purposes of allocating GST exemption) of any trust under this Trust Agreement exceeds the amount of GST exemption to be allocated to it, the Trustees shall divide that trust into exempt and nonexempt trusts. The exempt trust will consist of a fractional share of the trust assets. The numerator of the exempt trust will be the amount of GST exemption to be allocated to the trust, and the denominator will be the federal estate tax value of the property held in the trust. The nonexempt trust will consist of the remaining fraction of the trust assets. The exempt and nonexempt trusts will be administered as provided under the terms that govern the trust that was divided. The Trustees may make different decisions with respect to the trusts concerning tax elections, the exercise of the Trustees' discretionary powers and authority (including decisions whether to make discretionary distributions), investment decisions, and any other actions consistent with treatment as separate trusts.

14.3 Trust Additions. Exempt or nonexempt property can be added only to a trust of the same character. If because of this rule a trust cannot receive property, the property will be held as a separate exempt or nonexempt trust by the Trustees of the trust designated to receive the property and administered and distributed as provided for that trust.

14.4 Multiple Transferors. If portions of a single trust are attributable to transfers from different transferors, the Trustees shall maintain sufficient records to preserve the treatment of those portions as separate trusts under Section 2654(b)(1) of the Internal Revenue Code.

14.5 General Power of Appointment. The following rules apply if another provision of this Trust Agreement gives a beneficiary a power of appointment over a nonexempt trust exercisable upon death, but only if that other provision specifically refers to this article. If GST tax would be owed upon a distribution of trust assets to the takers in default if the beneficiary did not exercise the power (whether or not the beneficiary actually exercises the power), the beneficiary also can appoint the assets of the trust to the

creditors of the beneficiary's estate, subject to the following limit. This additional power of appointment is limited to the minimum amount that will cause the least aggregate amount of transfer taxes to be incurred by reason of the beneficiary's death (whether as estate tax in the beneficiary's estate or as GST tax), taking into account all applicable credits, deductions, exclusions, and exemptions.

14.6 Distributions From Multiple Trusts. If a trust has been divided into exempt and nonexempt trusts, the following rules will govern how distributions are made as between those trusts.

(a) Nonexempt Trust Primary. If the Trustees have discretion to make a distribution from more than one trust to or for the benefit of the same person, the distribution is to be made from the nonexempt trust unless it would be a taxable distribution to that person, in which case the distribution is to be made from the exempt trust, unless compelling circumstances require otherwise.

(b) Allocating Charges. If a trust charged with the payment of taxes or expenses is divided into exempt and nonexempt trusts, those taxes and expenses are to be paid first from the nonexempt trust, and from the exempt trust only after the nonexempt trust has been exhausted.

14.7 Paying GST Tax. If a federal or state GST tax is imposed with respect to any transfer under this Trust Agreement, the amount of the tax will be charged to the property constituting the transfer as provided in Section 2603(b) of the Internal Revenue Code.

ARTICLE 15 FIDUCIARY POWERS

The Grantor grants to the Trustees full power to deal freely with any property in the Trust. The Trustees may exercise these powers independently and without the approval of any court. No person dealing with the Trustees need inquire into the propriety of any of their actions or into the application of any funds or assets. The Trustees shall, however, exercise all powers in a fiduciary capacity for the best interest of the beneficiaries of any trust created in this Trust Agreement. Without limiting the generality of the foregoing, the Trustees are given the following discretionary powers in addition to any other powers conferred by law:

15.1 Type of Assets. Except as otherwise provided to the contrary, to hold funds uninvested for such periods as the Trustees deem prudent, and to invest in any assets the Trustees deem advisable even though they are not technically recognized or specifically listed in so-called "legal lists," without responsibility for depreciation or loss on account of those investments, or because those investments are non-productive, as long as the Trustees act in good faith.

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15.2 Original Assets. Except as otherwise provided to the contrary, to retain the original assets they receive for as long as they deem best, and to dispose of those assets when they deem advisable, even though such assets, because of their character or lack of diversification, would otherwise be considered improper investments for the Trustees.

15.3 Tangible Personal Property. To receive and hold tangible personal property; to pay storage and insurance charges for such property; to permit any beneficiaries to use such property without either the Trustees or beneficiaries incurring any liability for wear, tear, and obsolescence of the property; and in their discretion to abandon or dispose of any such property which has little or no monetary or useful value after having consulted with the beneficiaries or their legal representatives.

15.4 Specific Securities. To invest in assets, securities, or interests in securities of any nature, including (without limit) precious metals, currencies, and in domestic and foreign markets and in mutual or investment funds, including funds for which the Trustees or any affiliate performs services for additional fees, whether as custodian, transfer agent, investment adviser or otherwise, or in securities distributed, underwritten, or issued by the Trustees or by syndicates of which they are a member; to trade on credit or margin accounts (whether secured or unsecured); and to pledge assets of the Trust Estate for that purpose.

15.5 Property Transactions. To buy, sell, exchange, or lease any real or personal property, publicly or privately, for cash or credit, without court approval and upon the terms and conditions that the Trustees deem advisable; to execute deeds, leases, contracts, bills of sale, notes, mortgages, security instruments, and other written instruments; to improve, repair, insure, subdivide and vacate any property; to adjust boundaries; and to impose easements, restrictions, and covenants as the Trustees see fit. A lease will be valid and binding for its full term even if it extends beyond the full duration of the Trust.

15.6 Borrow Money. To borrow money from any source (including the Trustees in their nonfiduciary capacity), to guarantee indebtedness, and to secure the loan or guaranty by mortgage or other security interest.

15.7 Maintain Assets. To expend whatever funds they deem proper for the preservation, maintenance, or improvement of assets. The Trustees in their discretion may elect any options or settlements or exercise any rights under all insurance policies that they hold. However, no fiduciary who is the insured of any insurance policy held in the Trust may exercise any rights or have any incidents of ownership with respect to the policy, including the power to change the beneficiary, to surrender or cancel the policy, to assign the policy, to revoke any assignment, to pledge the policy for a loan, or to obtain from the insurer a loan against the surrender value of the policy. All such power is to be exercised solely by the remaining Trustees, if any, or if none, by a special fiduciary appointed for that purpose by a court having jurisdiction.

15.8 Advisers. To employ and compensate attorneys, accountants, advisers, financial consultants, managers, agents, and assistants (including any individual or entity who provides investment advisory or management services, or who furnishes professional assistance in making investments for the Trust) without liability for any act of those persons, if they are selected and retained with reasonable care. Fees may be paid from the Trust Estate even if the services were rendered in connection with ancillary proceedings. The Trustees may serve in any of these capacities and be compensated separately for their services in each.

15.9 Indirect Distributions. To make distributions, whether of principal or income, to any person under age 21 or to any incapacitated person according to the terms of this Trust Agreement by making distributions directly to that person whether or not that person has a guardian; to the parent, guardian, or spouse of that person; to a custodial account established by the Trustees or others for that person under an applicable Uniform Gift to Minors Act or Uniform Transfers to Minors Act; to any adult who resides in the same household with that person or who is otherwise responsible for the care and well-being of that person; or by applying any distribution for the benefit of that person in any manner the Trustees deem proper. The receipt of the person to whom payment is made will constitute full discharge of the Trustees with respect to that payment.

15.10 Non-Pro Rata Distribution. To make any division or distribution in money or in kind, or both, without allocating the same kind of property to all shares or distributees, and without regard to the income tax basis of the property. Any division will be binding and conclusive on all parties.

15.11 Nominee. Except as prohibited by law, to hold any assets in the name of a nominee without disclosing the fiduciary relationship; to hold the property unregistered, without affecting its liability; and to hold securities endorsed in blank, in street certificates, at a depository trust company, or in a book entry system.

15.12 Custodian. To employ a custodian or agent ("the Custodian") located anywhere within the United States, at the discretion of the Trustees but at the expense of the Trust, whether or not such Custodian is an affiliate of the Trustees or any person rendering services to the Trust; to register securities in the name of the Custodian or a nominee thereof without designation of fiduciary capacity; and to appoint the Custodian to perform such other ministerial functions as the Trustees may direct. While such securities are in the custody of the Custodian, the Trustees will be under no obligation to inspect or verify such securities nor will the Trustees be responsible for any loss by the Custodian.

15.13 Settle Claims. To compromise, arbitrate, or otherwise adjust claims in favor of or against the Trust, to agree to any rescission or modification of any contract or agreement, and to refrain from instituting any suit or action unless indemnified for reasonable costs and expenses.

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15.14 Corporate Rights. To vote and exercise any option, right, or privilege to purchase or to convert bonds, notes, stock (including shares or fractional shares of stock of any Corporate Trustee), securities, or other property; to borrow money for the purpose of exercising any such option, right, or privilege; to delegate those rights to an agent; to enter into voting trusts and other agreements or subscriptions; to participate in any type of liquidation or reorganization of any enterprise; and to write and sell covered call options, puts, calls, straddles, or other methods of buying or selling securities, as well as all related transactions.

15.15 Partnership Interests. To hold interests in sole proprietorships, general or limited partnerships, joint ventures, business trusts, land trusts, limited liability companies, and other domestic and foreign forms of organizations; and to exercise all rights in connection with such interests as the Trustees deem appropriate, including any powers applicable to a non-admitted transferee of any such interest.

15.16 Self-Dealing. To exercise all their powers even though they may also be acting individually or on behalf of any other person or entity interested in the same matters. The Trustees, however, shall exercise these powers at all times in a fiduciary capacity, primarily in the interest of the beneficiaries of the Trust. Despite any other provision of this Trust Agreement, no Trustee may participate in the decision to make a discretionary distribution that would discharge a legal support obligation of that Trustee. All power to make such distributions will be exercised solely by the remaining Trustees, if any, or if there are no other Trustees then serving, by the person or persons named to serve as the next successor Trustee, or if there are none, by a special Trustee appointed for that purpose by a court having jurisdiction.

15.17 Expenses. To determine, in a fiduciary capacity, how expenses of administration and receipts are to be apportioned between principal and income.

15.18 Terminate Small Trusts. After the Grantor's death, to exercise their discretion to refrain from funding or to terminate any trust whenever the value of the principal of that trust (or if a trust has been divided into exempt and nonexempt trusts, the principal value of those combined trusts) would be or is too small to administer economically, and to distribute the remaining principal and all accumulated income of the trust as provided in Section 15.9 to the beneficiaries then entitled to receive income in proportion to their shares of that income (or on a per capita basis if their shares are not fixed). The Trustees shall exercise this power to terminate in their discretion as they deem prudent for the best interest of the permissible income beneficiaries at that time. This power cannot be exercised by a beneficiary, either alone or in conjunction with any other Trustee, but must be exercised solely by the other Trustee, or if none, by a special Trustee appointed for that purpose by a court having jurisdiction.

15.19 Allocation to Principal. To treat premiums and discounts on bonds and other obligations for the payment of money in accordance with either generally accepted accounting principles or tax accounting principles and, except as otherwise provided to

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the contrary, to hold nonproductive assets without allocating any principal to income, despite any laws or rules to the contrary.

15.20 Use of Income. Except as otherwise provided in this Trust Agreement, and in addition to all other available sources, to exercise their discretion in the use of income from the assets of the Trust to satisfy the liabilities described in this Trust Agreement, without accountability to any beneficiary.

15.21 Sever Trusts. To sever any trust on a fractional basis into two or more separate trusts, and to segregate by allocation to a separate account or trust a specific amount from, a portion of, or a specific asset included in any trust. The Trustees may consolidate two or more trusts (including trusts created by different transferors) having identical beneficial terms and conditions into a single trust. A trust created by severance or consolidation will be treated as a separate trust for all purposes from the date on which the severance or consolidation is effective, and will be held on the same beneficial terms and conditions as those before the severance or consolidation. Income earned on a consolidated or severed amount, portion, or specific asset after the consolidation or severance is effective will pass with that amount, portion, or specific asset.

15.22 Consolidated Funds. Unless inconsistent with other provisions of this Trust Agreement, to hold two or more trusts or other funds in one or more consolidated funds, in which the separate trusts or funds have undivided interests, except that an accounting must be rendered to each trust showing its undivided interests in those funds.

15.23 Valuations. In making distributions or allocations under the terms of this Trust Agreement to be valued as of a particular date, the Trustees may use asset valuations obtained for a date reasonably close to that particular date (such as a quarterly closing date before or after that date) if, in the Trustees' judgment, obtaining appraisals or other determinations of value on that date would result in unnecessary expense, and if in the Trustees' judgment, the fair market value as determined is substantially the same as on that actual date. This paragraph will not apply if valuation on a specific date is required to preserve a qualification for a tax benefit, including any deduction, credit, or most favorable allocation of an exemption.

15.24 Incorporation. To incorporate any business or venture, and to continue any unincorporated business that the Trustees determine to be not advisable to incorporate.

15.25 Delegation. To delegate periodically among themselves the authority to perform any act of administration of any trust.

15.26 Advances. To make cash advances or loans to beneficiaries, with or without security.

15.27 Investment Manager. To employ any investment management service, financial institution, or similar organization to advise the Trustees and to handle all

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investments of the Trust and to render all accountings of funds held on its behalf under custodial, agency, or other agreements. If the Trustees are individuals, these costs may be paid as an expense of administration in addition to fees and commissions.

15.28 Depreciation. To deduct from all receipts attributable to depreciable property a reasonable allowance for depreciation, computed in accordance with generally accepted accounting principles consistently applied.

15.29 Disclaim Assets or Powers. To disclaim any assets otherwise passing or any fiduciary powers pertaining to any trust created hereunder, by execution of an instrument of disclaimer meeting the requirements of applicable law generally imposed upon individuals executing disclaimers. No notice to or consent of any beneficiary, other interested person, or any court is required for any such disclaimer, and the Trustees are to be held harmless for any decision to make or not make such a disclaimer.

15.30 Transfer Situs. To transfer the situs of any trust or any trust property to any other jurisdiction as often as the Trustees deem advisable, and if necessary to appoint a substitute or ancillary Trustee to act with respect to that property. The Trustees may delegate to the substitute Trustee any or all of the powers given to the Trustees; may elect to act as advisor to the substitute Trustee and receive reasonable compensation for that service; and may remove any acting or substitute Trustee and appoint another, or reappoint themselves, at will.

15.31 Related Parties. To enter into any transaction on behalf of the Trust despite the fact that another party to that transaction may be: (i) a business or trust controlled by the Trustees, or of which the Trustees, or any director, officer, or employee of the Corporate Trustees, is also a director, officer, or employee; (ii) an affiliate or business associate of any beneficiary or the Trustees; or (iii) a beneficiary or Trustee under this Trust Agreement acting individually, or any relative of such a party.

15.32 Additional Powers for Income-Producing Real Estate. In addition to the other powers set forth above or otherwise conferred by law, the Trustees have the following powers with respect to any income-producing real property which is or may become a part of the Trust Estate:

- To retain and operate the property for as long as they deem advisable;
- To control, direct, and manage the property, determining the manner and extent of their active participation in these operations, and to delegate all or any part of their supervisory power to other persons that they select;
- To hire and discharge employees, fix their compensation, and define their duties;
- To invest funds in other land holdings and to use those funds for all improvements, operations, or other similar purposes;

- Except as otherwise provided with respect to mandatory income distributions, to retain any amount of the net earnings for working capital and other purposes that they deem advisable in conformity with sound and efficient management; and
- To purchase and sell machinery, equipment, and supplies of all kinds as needed for the operation and maintenance of the land holdings.

ARTICLE 16 ENVIRONMENTAL PROVISIONS

The following rules govern administration of the Trust with respect to assets that could cause the Trustees to incur liability for environmental contamination or hazardous wastes.

16.1 Vesting of Title. Title to the following types of assets will not vest in any Trustee (including a successor Trustee when it begins to serve) until the Trustees execute a written instrument accepting title to those assets:

- Real property or any interest of any nature in real property (including mortgages secured by real property), and
- Any interest in a partnership, limited liability company, or closely held corporation which owns real property or an interest in real property and in which the Trustees would have the ability to vote or otherwise participate in the management and control of the entity's operations.

If the Trustees refuse to accept title to an asset that has never been part of this Trust, title to that asset will revert to the transferor or pass to such other persons (other than the Trustees) as may be provided by applicable law. If a successor Trustee refuses to accept title to such an asset accepted by the prior Trustees, the prior Trustees (or their Personal Representatives) will continue to hold title to and administer that asset until it is distributed, sold, or otherwise disposed of, or until other relief is granted by a court having jurisdiction over the Trust. Until they accept title to such an asset, the Trustees will have no fiduciary duty with respect to that asset.

16.2 Audits. The Trustees may require environmental audits acceptable to them to be made at any time at the expense of the Trust.

16.3 Liability. The Trustees will not be liable to any beneficiary for any claims against or losses incurred by the Trust because of compliance with laws regulating environmental contamination or hazardous wastes, including reporting or abating contamination, cleaning up property, incurring expenses in connection with administrative or judicial proceedings, and establishing reserves for such payments, even if amounts expended exceed the value of the property. The Trustees may require indemnities or other arrangements satisfactory to them that will protect and hold them

harmless from liability that might be incurred for environmental contamination or hazardous substances.

16.4 Other Laws. These provisions are in addition to other remedial powers and rights given to fiduciaries under applicable law.

ARTICLE 17

SPECIAL BUSINESS PROVISIONS

The following provisions apply to any closely-held stock or other business interests held in this Trust.

17.1 Subchapter S Stock. Despite any other provisions of this Trust Agreement, if a trust created in this instrument is to become the owner of, or already owns, stock in a corporation that has an election in effect (or one that proposes to make an election) under Section 1362 of the Internal Revenue Code (an "S Corporation"), and that trust would not otherwise be permitted to be an S Corporation shareholder, the Trustees in their discretion may cause the trust to become an "Electing Small Business Trust," as that term is defined in Section 1361 of the Internal Revenue Code, by making such elections as are required.

17.2 Management and Sale of Business Interests. The Grantor anticipates that a great percentage of the Trust Estate will consist of an interest in various closely held corporations and partnerships (all collectively referred to as the "Business Entities," whether one or more). If the disposition of these Business Entities has not otherwise been provided for at the Grantor's death, then, in addition to any other authority granted by this Trust Agreement, the following will apply:

(a) Operation and Sale. The Trustees shall use their discretion in participating in the operation of the Business Entities and in selling the interest in the Business Entities. The Trustees are specifically authorized to sell an interest in the Business Entities to any partner, officer, or employee of the business, to any individual Trustee, or to any beneficiary of this Trust.

(b) Partnerships. In addition to the powers described above, the Trustees are directed to determine whether the effecting of any measures with respect to the partnership interests would be of benefit to the beneficiaries of the Trust or of the Grantor's estate. If it is determined that one or more measures should be effected, the Trustees shall take such actions as are required to effect these measures. The measures that may be effected include, but are not limited to:

- the continuation of the Trust as a partner in any of the partnerships;
- the distribution of selected property by the partnerships to the Trust or its beneficiaries;
- the acquisition of any additional ownership interest in the partnerships;

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- the liquidation of any interest in the partnerships;
- the filing by the partnerships of a timely election under either Sections 754 or 732(d) of the Internal Revenue Code to adjust the basis of partnership property.

(c) **Supplemental Powers.** In addition to the powers previously given and the powers enumerated in Article 15, the Grantor gives the Trustees the following additional powers with regard to any transactions relating to the Business Entities:

- (1) **Employment of Personnel.** To hire and discharge officers and employees for the Business Entities, fix their compensation, and define their duties, including the right to employ any beneficiary (or individual Trustee) in any capacity.
- (2) **Investment in Business.** To invest other trust funds in the Business Entities; to pledge other assets of the Trust as security for loans made to the Business Entities; and to loan funds from the Trust to the Business Entities.
- (3) **Sale or Purchase of Offerings.** To participate as seller or purchaser in public or private offerings for the sale of any securities or partnership interests in the Business Entities; to enter into any related agreements containing representations, warranties, and indemnity provisions; and to incur liabilities in connection with these transactions.
- (4) **Change of Business Form or Scope.** To convert any corporation into a partnership, sole proprietorship, or limited liability company, and to diminish, enlarge, or change the scope or nature of any business.
- (5) **Business as Separate Entity; Accountings.** To treat the Business Entities as an entity separate from the Trust. In their accountings, the Trustees may report the earnings and condition of the Business Entities in accordance with standard business accounting practices.
- (6) **Retention of Earnings.** To retain in the business such net earnings for working capital and other purposes as the Trustees deem advisable.
- (7) **Additional Fees.** To receive additional compensation for their extra efforts and expertise relating to the Business Entities. Such compensation may be paid as a director's or



manager's fee or as a guaranteed payment, all of which will be remitted to the Trustees, or may be charged directly as a management consultation fee by the Trustees.

(d) Standards of Risk and Trustees' Liability. The Grantor is aware that certain risks are inherent in the operation of any business and expects that the Trustees will be required to make decisions using a "reasonable business risk" standard in keeping with the "prudent investor" rule. Therefore, the Grantor directs that the Trustees will not be held liable for any loss resulting from the retention and operation of any business unless such loss results directly from their bad faith or willful misconduct. In determining liability for losses, it should be considered that the Trustees are engaging in a speculative enterprise at the Grantor's express request.

ARTICLE 18 INSURANCE PROVISIONS

Any insurance policies acquired by or payable to the Trustees as an asset of this Trust are to be administered as follows:

18.1 Rights of the Trustees in Policies. Subject to Section 15.7, the Trustees will have all incidents of ownership and all rights, powers, interests, and benefits of every kind that accrue from any life insurance policies that may be held as part of the Trust. The Grantor will have no interest or right of any nature in those policies.

18.2 Payment of Premiums. The Trustees shall first use the income (including accumulated income and capital gains) of the Trust to pay any indebtedness, premiums, or assessments on life insurance policies held as part of the Trust. Thereafter, the Trustees in their discretion may apply other Trust assets, solicit contributions to the Trust, or borrow against policy cash values in order to continue any such policies in force for as long as possible, despite the fact that the policies do not produce income or gain for the Trust.

18.3 Collection of Policy Proceeds. Upon the death of an insured, the Trustees shall process all claims for payment of death benefits payable to the Trustees. If payment of any policy is contested, however, the Trustees will not be obligated to begin legal proceedings for collection unless they are indemnified to their satisfaction for all costs, including attorney's fees. The Trustees may repay any person, including themselves, from the Trust for any advances or expenses incurred in attempting to collect death benefits on such policies.

18.4 Trustee Protection. The Trustees will have no liability or responsibility for any loss resulting from the failure of any insurance company and its inability to pay a claim under any insurance policy acquired by the Trustees. The Trustees will be under no obligation to invest any cash value accumulated in any life insurance policy owned by the Trust, regardless of the investment yield on such value within the policy as compared to the net investment yield which could be obtained outside the policy. The Trustees will

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not be liable or accountable to anyone for the exercise or nonexercise of any rights, benefits, options, or privileges under any policy held in this Trust, including the option to borrow against the cash values to obtain a higher investment yield outside the policy.

18.5 Responsibilities of Insurance Companies. No insurance company will be responsible for the application of any insurance proceeds by the Trustees. Payment to the Trustees of the benefits due with respect to any insurance policy held as part of the Trust will completely discharge the insurance company from any further liability under that policy.

ARTICLE 19 PERPETUITIES PROVISION

Despite any contrary provisions of this Trust Agreement, from the date of the Grantor's death and for up to 21 years after the death of the last of the Grantor's grandparents' descendants who are living at the creation of this Trust, a trust beneficiary (which includes persons succeeding to the interest of a deceased beneficiary) will be entitled to terminating distributions only at the ages and in the manner specified in this Trust Agreement. In all events, however, the share of each beneficiary will vest and be paid over immediately prior to the expiration of the 21 year period described above.

ARTICLE 20 ADMINISTRATION AND CONSTRUCTION

20.1 Rules for Distributions. In making distributions to beneficiaries under this Trust Agreement, the Trustees must use the following criteria.

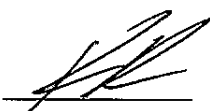
(a) **Other Resources.** Whenever the Trustees have the authority to decide how much to distribute to or for the benefit of a beneficiary, the Trustees should make decisions taking into account any information readily available to them about the beneficiary's other available income and resources (including any obligations owed to him or her by any person that are reasonably able to be discharged). The Trustees need not obtain financial statements or tax returns from the beneficiary. The Trustees can make payments directly to a beneficiary or to other persons for the beneficiary's benefit, but they do not have to make payments to a court appointed guardian.

(b) **Trustees' Decision.** Absent clear and convincing evidence of bad faith, the Trustees' decisions as to amounts to be distributed will be final.

(c) **Standard of Living.** Distributions to a beneficiary for health, education, support, or maintenance are to be based on his or her standard of living, determined as of the date of the distribution.

(d) **Unequal Distributions.** For any trusts having multiple beneficiaries, distributions may be unequal among them due to differences in their resources, age, health, needs, educational inclinations, and talents. The Trustees may

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make unequal distributions to or for those beneficiaries without making equalizing adjustments among them, unless specifically provided to the contrary in this Trust Agreement.

20.2 Funding Gifts. The following rules will apply to funding gifts under this Trust Agreement.

(a) **Pecuniary Gifts.** All pecuniary gifts under this Trust Agreement that are paid by an in-kind distribution of assets must use values as of the date of distribution.

(b) **Adjustments.** The Trustees shall select one or more dates of allocation or distribution for purposes of satisfying gifts and funding shares or trusts. The Trustees may make allocations before the final determination of federal estate tax, with those allocations being based upon the information then available to the Trustees, and may thereafter adjust properties among the shares or trusts if it is determined that the allocation should have been made differently.

20.3 Accumulated Income. Any income not distributed to the beneficiaries pursuant to either a mandatory direction or a discretionary power is to be incorporated into principal, at such intervals as the Trustees deem convenient.

20.4 Estate Tax on Included Property. If assets of any trust created under this Trust Agreement are included in a beneficiary's estate for federal estate tax purposes, the following will apply.

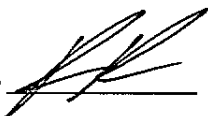
(a) **Appointed Assets.** If the beneficiary exercises a power of appointment over those assets, the Trustees are authorized to withhold from those assets the amount of estate taxes apportioned to them by applicable law, if the beneficiary does not make provisions for the payment of those taxes from other sources.

(b) **Other Assets.** If the beneficiary does not have or does not exercise a power of appointment over those assets, the Trustees will pay the estate taxes attributable to those assets. The estate taxes attributable to those assets will be the amount that the beneficiary's estate taxes are increased over the amount those taxes would have been if those assets had not been included in the beneficiary's gross estate.

(c) **Certification and Payment.** The Trustees may rely upon a written certification by the beneficiary's personal representative of the amount of the estate taxes, and may pay those taxes directly or to the personal representative of the beneficiary's estate. The Trustees will not be held liable for making payments as directed by the beneficiary's personal representative.

20.5 Transactions With Other Entities. The Trustees may buy assets from other estates or trusts, or make loans to them, so that funds will be available to pay claims, taxes, and expenses. The Trustees can make those purchases or loans even if they

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serve as the fiduciary of that estate or trust, and on whatever terms and conditions the Trustees think are appropriate, except that the terms of any transaction must be commercially reasonable.

ARTICLE 21 MISCELLANEOUS PROVISIONS

21.1 Definitions. As used in this Trust Agreement, the following terms have the meanings set forth below:

(a) Trustees.

- (1) **Independent Trustee** means a trustee who is an individual not related or subordinate to the Grantor, or which is a Corporate Trustee.
- (2) **Corporate Trustee** means a trustee that is a bank, trust company, or other entity authorized to serve as a trustee under the laws of the United States or any state thereof that is not related or subordinate to the Grantor and which has at least Five Hundred Million Dollars (\$500,000,000) of assets under trust management (which may include assets managed by affiliated or subsidiary banks or trust companies). A bank or trust company that does not meet these requirements cannot serve as Trustee.

(b) Internal Revenue Code Terms.

- (1) **Internal Revenue Code** means the federal Internal Revenue Code of 1986, as amended from time to time, or successor provisions of future federal internal revenue laws.
- (2) The terms **health, education, support, and maintenance** are intended to set forth an "ascertainable standard," as described in the Internal Revenue Code and its associated Regulations. To the extent not inconsistent with the foregoing, "health" means a beneficiary's physical and mental health, including but not limited to payments for examinations, surgical, dental, or other treatment, medication, counseling, hospitalization, and health insurance premiums; "education" means elementary, secondary, post-secondary, graduate, or professional schooling in an accredited institution, public or private, or attendance at other formal programs in furtherance of the beneficiary's spiritual, athletic, or artistic education, including but not limited to payments for tuition, books,

fees, assessments, equipment, tutoring, transportation, and reasonable living expenses.

- (3) **Related or subordinate** with respect to Trustees has the meaning given to it under Section 672(c) of the Internal Revenue Code.

(c) **Other Terms.**

- (1) **Residuary Trust Estate** means the Trust Estate (including assets added to the Trust by reason of the Grantor's death) left after paying all pre-residuary gifts in this Trust Agreement and all expenses and charges (other than estate taxes).
- (2) Distributions that are to be made to a person's **descendants, per stirpes** will be divided into equal shares, so that there will be one share for each living child (if any) of that person and one share for each deceased child who has then living descendants. The share of each deceased child will be further divided among his or her descendants on a per stirpes basis, by reapplying the preceding rule to that deceased child and his or her descendants as many times as necessary.
- (3) **Disabled or under a disability** means (1) being under the legal age of majority, (2) having been adjudicated to be incapacitated, or (3) being unable to manage properly personal or financial affairs because of a mental or physical impairment (whether temporary or permanent in nature). A written certificate executed by an individual's attending physician confirming that person's impairment will be sufficient evidence of disability under item (3) above, and all persons may rely conclusively on such a certificate.
- (4) The words **will** and **shall** are used interchangeably in this Trust Agreement and mean, unless the context clearly indicates otherwise, that the Trustees must take the action indicated; as used in this Trust Agreement, the word **may** means that the Trustees have the discretionary authority to take the action but are not automatically required to do so.

21.2 Powers of Appointment. The following provisions relate to all powers of appointment under this Trust Agreement.

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- (a) A **general power of appointment** granted to a person is one that can be exercised in favor of that person or his or her estate, his or her creditors, or the creditors of his or her estate.
- (b) A **special power of appointment** is any power that is not a general power.
- (c) A **testamentary power of appointment** (either general or special) is exercisable upon the powerholder's death by his or her Last Will or by a revocable trust agreement established by that person, but only by specific reference to the instrument creating the power. A "testamentary power of appointment" may not be exercised in favor of the person possessing the power.
- (d) In determining whether a person has exercised a testamentary power of appointment, the Trustees may rely upon an instrument admitted to probate in any jurisdiction as that person's Last Will, or upon any trust agreement certified to be valid and authentic by sworn statement of the trustee who is serving under that trust agreement. If the Trustees have not received written notice of such an instrument within six months after the powerholder's death, the Trustees may presume that the powerholder failed to exercise that power and will not be liable for acting in accordance with that presumption.

21.3 Lapsed Gifts. If any gift is conditioned on the recipient surviving the Grantor or another person and no alternative disposition of that gift is specified, the gift will lapse and become part of the Residuary Trust Estate if the designated recipient does not survive.

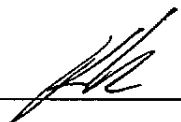
21.4 Notices. Any person entitled or required to give notice under this Trust Agreement shall exercise that power by a written instrument clearly setting forth the effective date of the action for which notice is being given. The instrument may be executed in counterparts.

21.5 Certifications.

(a) **From Personal Representative.** For some purposes, the Trustees are authorized to rely on a certificate from the Grantor's Personal Representative as to certain facts. That certificate must be in writing and witnessed by two impartial persons, but need not be notarized. It is to be delivered to the Trustees in the same fashion as provided for other notices.

(b) **Facts.** A certificate signed and acknowledged by the Trustees stating any fact affecting the Trust Estate or the Trust Agreement will be conclusive evidence of such fact in favor of any transfer agent and any other person dealing in good faith with the Trustees. The Trustees may rely on a certificate signed and acknowledged

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by any beneficiary stating any fact concerning the Trust beneficiaries, including dates of birth, relationships, or marital status, unless an individual serving as Trustee has actual knowledge that the stated fact is false.

(c) **Copy.** Any person may rely on a copy of this instrument (in whole or in part) certified to be a true copy by the Grantor, by any person specifically named as a Trustee (or successor Trustee), or by any Corporate Trustee whether or not specifically named.

21.6 Dispute Resolution. If there is a dispute or controversy of any nature involving the disposition or administration of this Trust, the Grantor directs the parties in dispute to submit the matter to mediation or some other method of alternative dispute resolution selected by them. If a party refuses to submit the matter to alternate dispute resolution, or if a party refuses to participate in good faith, the Grantor authorizes the court having jurisdiction over the Trust to award costs and attorney's fees from that party's beneficial share or from other amounts payable to that party (including amounts payable to that party as compensation for service as fiduciary) as in chancery actions.

21.7 Effect of Adoption. A legally adopted child (and any descendants of that child) will be regarded as a descendant of the adopting parent only if the petition for adoption was filed with the court before the child's thirteenth birthday. If the legal relationship between a parent and child is terminated by a court while the parent is alive, that child and that child's descendants will not be regarded as descendants of that parent. If a parent dies and the legal relationship with that deceased parent's child had not been terminated before that parent's death, the deceased parent's child and that child's descendants will continue to be regarded as descendants of the deceased parent even if the child is later adopted by another person.

21.8 Infant in Gestation. For all purposes of this Trust Agreement, an infant in gestation who is later born alive will be deemed to be in being during the period of gestation for the purpose of qualifying the infant, after it is born, as a beneficiary of this Trust.

21.9 Applicable Law. All matters involving the validity and interpretation of this Trust Agreement are to be governed by Florida law. Subject to the provisions of this Trust Agreement, all matters involving the administration of a trust are to be governed by the laws of the jurisdiction in which the trust has its principal place of administration.

21.10 Gender and Number. Reference in this Trust Agreement to any gender includes either masculine or feminine, as appropriate, and reference to any number includes both singular and plural where the context permits or requires. Use of descriptive titles for articles and paragraphs is for the purpose of convenience only and is not intended to restrict the application of those provisions.

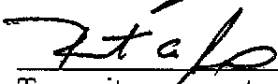
Signed in the presence of:

TRUSTEE





Morris Girum, C.P.A.



Two witnesses as to
Morris Girum, C.P.A.

INITIALS



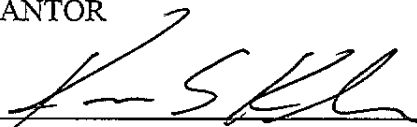
21.11 Further Instruments. The Grantor agrees to execute such further instruments as may be necessary to vest the Trustees with full legal title to the property transferred to it under this Trust Agreement.

21.12 Acknowledgements. Acknowledgements of this Trust Agreement and matters affecting the administration of the Trust may be given for purposes of recording such instruments, but the absence of an acknowledgement does not affect the validity of those instruments.

21.13 Binding Effect. This Trust Agreement extends to and is binding upon the Grantor's Personal Representative, successors, and assigns, and upon the Trustees.

Executed as of the date first written above.

GRANTOR


Kenneth S. Kholos

This instrument was signed, sealed, published, and declared by the Grantor as his Trust Agreement in our joint presence, and at his request we have signed our names as attesting witnesses in his presence and in the presence of each other on the date first written above.

Name

Address

Renate Smedley

3109 Stirling Road
 Ft. Lauderdale, FL 33312

E. J. H. H.

3109 Stirling Rd., Suite 101
 Ft. Lauderdale, FL 33312

Signed in the presence of:

TRUSTEE

Carrine H. Egan

Mervin S. Kholos
Mervin Kholos

Benjamin Specter
Two witnesses as to
Mervin Kholos

INITIALS

SK

STATE OF FLORIDA
COUNTY OF BROWARD

We, Kenneth S. Kholos, Renate Soudel, and
Elizabeth Hawk, the Grantor and the witnesses, respectively, whose
names are signed to the attached or foregoing instrument, having been sworn, declared to
the undersigned officer that the Grantor, in the presence of the witnesses, signed the
instrument as his Trust Agreement, that he signed willingly, and that each of the
witnesses, in the presence of the Grantor and in the presence of each other, signed the
Trust Agreement as a witness.

[Signature]
Kenneth S. Kholos

Renate Soudel
Witness

Elizabeth Hawk
Witness

The foregoing instrument was acknowledged, subscribed, and sworn to before me by
Kenneth S. Kholos, who is personally known to me or who has produced
PDL as identification, and by Renate Soudel,
who is personally known to me or who has produced _____ as
identification, and by Elizabeth Hawk, who is personally known to
me or who has produced _____ as identification, the witnesses, on
9/8, 2000.

[Signature]

Notary Public--State of Florida

Print Name: _____
My Commission Number is: _____
My Commission Expires: _____



Steven E. Eisenberg
Commission # CG 734712
Expires June 1, 2002
Bonded Thru
Atlantic Bonding Co., Inc.

FILED
SECRETARY OF STATE
DIVISION OF CORPORATIONS
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