

REVOCABLE TRUST  
OF  
ROLAND NOBILI  
AND  
ELIZABETH A. NOBILI

THIS TRUST AGREEMENT is entered into May 24, 1995, between ROLAND NOBILI and ELIZABETH A. NOBILI, as the Trustors, and ROLAND NOBILI and ELIZABETH A. NOBILI, as the Trustees, sometimes hereinafter referred to collectively as "the Trustee."

ARTICLE FIRST

Name of Trust

This trust shall be known as "THE NOBILI TRUST."

ARTICLE SECOND

Declaration Concerning Family

- A. The Trustors are married.
- B. Trustors have three (3) children now living, whose names and dates of birth are as follows:

<u>Name</u>	<u>Date of Birth</u>
CRAIG M. NOBILI	May 6, 1963
KEVIN P. NOBILI	December 31, 1964
STEVEN J. NOBILI	June 29, 1970

Trustors have no child or children, other than the children above named, now living or now deceased leaving issue now living. All references in this Agreement to "Trustors' child" or "Trustors' children" are to the children above named. All references to "Trustors' issue" are to issue of the marriage of Trustors.

### ARTICLE THIRD

#### The Trust Estate

A. ROLAND NOBILI and ELIZABETH A. NOBILI, called the Trustors or the Trustees, depending on the context, declare that they have set aside and hold in trust and hereby transfer to ROLAND NOBILI and ELIZABETH A. NOBILI in trust as Trustees, the property described in Schedule A attached to this instrument. The Trustors also may desire to have the proceeds of certain policies of insurance payable to the Trustee hereunder. The Trustee agrees to hold, administer and distribute such property and such life insurance proceeds and all additions thereto, from whatever source, in trust according to all the terms and conditions of this agreement.

B. Wherever used in this trust agreement, except where the context otherwise requires, the words "trust estate" shall be construed to mean the trust estate as it exists at the time including all additions and accretions thereto.

C. All community property transferred to the trust and the proceeds thereof (hereinafter referred to as "the community property trust estate") shall continue to retain its character as community property during the joint lifetimes of the Trustors, subject, however, to all of the terms and conditions of this trust agreement, and any withdrawal of the community property trust estate, or any portion thereof, during the Trustors' joint lifetimes shall be the Trustors' community property. It is the Trustors' intention that the Trustee shall have no more extensive power over any community property transferred to the trust than either of the Trustors would have had under California Civil Code Sections 5125 and 5127 had this trust not been created, and this instrument shall be so interpreted to achieve this intention; provided, however, that this limitation shall not be construed to prohibit the Trustee from conveying any trust property, real or personal, in accordance with the provisions of this trust agreement without the consent of both of the Trustors unless the consent of both of the Trustors is otherwise expressly required by this trust agreement. This limitation shall terminate on the death of either of the Trustors.

D. Similarly, it is the Trustors' intention that all separate property, if any, of either of the Trustors and the proceeds thereof (hereinafter referred to as "the separate property trust estate") shall retain its character as separate property, during the joint lifetimes of the Trustors, subject, however, to all of the terms and conditions of this trust agreement.

## ARTICLE FOURTH

### Powers to Amend or Revoke

A. During the joint lifetimes of the Trustors, this trust may be revoked in whole or in part (1) with respect to community property by an instrument in writing signed by either of the Trustors and delivered to the Trustee and to the other Trustor and (2) with respect to separate property by an instrument in writing signed by the Trustor who contributed such separate property to the trust and delivered to the Trustee. On revocation of the trust with respect to community property the Trustee shall deliver to the Trustors all or the designated portion of such community property and said property shall retain its character as community property of the Trustors and shall be held and administered as community property by the Trustors. On revocation of the trust with respect to separate property the Trustee shall deliver to the contributing Trustor all or the designated portion of such separate property and said property shall retain its character as separate property of such Trustor and shall be held and administered as separate property by such Trustor.

B. During the joint lifetimes of the Trustors, this trust may be amended in whole or in part by an instrument in writing signed by both of the Trustors and delivered to the Trustee.

C. Upon the death of the first of the Trustors to die the Disclaimer Trust (as hereinafter defined) shall be irrevocable, but the Survivor's Trust (as hereinafter defined) may be amended or revoked in whole or in part during the lifetime of the surviving Trustor by an instrument in writing signed by the surviving Trustor and delivered to the Trustee.

D. Upon the death of the second of the Trustors to die, both the Disclaimer Trust and the Survivor's Trust shall be irrevocable.

## ARTICLE FIFTH

### Distribution of Income and Principal During the Joint Lifetimes of the Trustors

A. During the joint lifetimes of the Trustors the Trustee shall pay to or apply for the benefit of the Trustors as community property the following:

1. The Trustee shall pay to or for the Trustors' benefit as much of the net income of the community trust estate as is necessary for the Trustors' health, education, support, comfort, welfare, and happiness to maintain at a minimum the Trustors' accustomed manner of living. The

Trustee shall add to principal any net income not so distributed.

2. If the Trustee considers the community income insufficient, the Trustee shall pay to or for the Trustors' benefit as much of the principal from the community trust estate as necessary for the Trustors' health, education, support, comfort, welfare, and happiness to maintain at a minimum the Trustors' accustomed manner of living.

The Trustors shall have the same duty to use community property income and principal received under this trust for the benefit of the Trustors as they have with respect to other community property.

B. During the joint lifetimes of the Trustors the Trustee shall also pay to or apply for the benefit of either Trustor as separate property the following:

1. The Trustee shall pay to or for the benefit of a Trustor as much of the net income from such Trustor's separate trust estate as is necessary for such Trustor's health, education, support, comfort, welfare, and happiness to maintain at a minimum such Trustor's accustomed manner of living. The Trustee shall add to principal any net income not so distributed.

2. If the Trustee considers the separate income insufficient, the Trustee shall pay to or for the benefit of a Trustor as much of the principal of the separate trust estate as the Trustee considers reasonably necessary for such Trustor's health, education, support, comfort, welfare, and happiness to maintain at a minimum such Trustor's accustomed manner of living.

#### ARTICLE SIXTH

##### Distribution of Income and Principal Upon Death of First Trustor

The first Trustor to die shall be the "deceased spouse", and the surviving Trustor, the "surviving spouse".

A. Upon the death of the deceased spouse, the Trustee shall hold, administer and distribute the trust estate, including any additions made to the trust by reason of the deceased spouse's death, such as from his or her will or life insurance policies, in accordance with the provisions of the Survivor's Trust at Article Seventh.

B. Notwithstanding Paragraph A above, if the Surviving Spouse makes a qualified disclaimer (as defined by Section 2518 of the Internal Revenue Code as it is from time to time amended) of all or any portion of the property (including any beneficial interest) passing to him or her in the above Paragraph A., the Trustee shall distribute the property so disclaimed to the "Disclaimer Trust" to be held, administered and distributed as provided in Article Eighth.

C. Notwithstanding both Paragraphs A and B above, if neither Trustor survives the other, the Trustee shall hold, administer and distribute the entire trust estate in accordance with the provisions of the Disclaimer Trust at Article Eighth.

#### ARTICLE SEVENTH

##### The Survivor's Trust

The Trustee shall hold, administer, and distribute the Survivor's Trust as follows:

A. The Trustee shall pay to or for the surviving spouse as much of the net income as the Trustee considers necessary for the surviving spouse's health, education, support, comfort, welfare, and happiness to maintain at a minimum the surviving spouse's accustomed manner of living. The Trustee shall add to principal any net income not so distributed.

B. If the Trustee considers the income insufficient, the Trustee shall pay to or for the surviving spouse as much of the principal as is reasonably necessary for the surviving spouse's health, education, support, comfort, welfare, and happiness to maintain at a minimum the surviving spouse's accustomed manner of living.

C. At any time during the surviving spouse's life, the Trustee shall distribute all or any part of the trust, including accrued income and undistributed income, to such one or more persons and entities, including the surviving spouse or the surviving spouse's estate, and on such terms and conditions, outright, in trust, or by creating further powers of appointment, as the surviving spouse shall request by an acknowledged document that specifically refers to this power of appointment.

D. Upon the death of the surviving spouse the Trustee shall distribute the balance then remaining, if any, of the Survivor's Trust (including both principal and any accrued or undistributed income) or any part thereof to such one or more persons or entities, including the surviving spouse's own estate, and on such terms and conditions, either outright or in trust, as the surviving

spouse shall appoint by a will specifically referring to and exercising this general power of appointment (whether the surviving spouse's will is executed before or after the death of the deceased spouse).

E. Upon the death of the surviving spouse the portion of the Survivor's Trust not appointed by the surviving spouse pursuant to the provisions of Paragraph D above shall be distributed in accordance with the provisions at Article Eighth, Paragraph C below.

F. It is Trustors' intent that the Survivor's Trust qualify for the marital deduction for federal estate tax purposes under the Internal Revenue Code, that the provisions of this trust agreement relating to the Survivor's Trust, including any power, duty, or discretionary authority, comply with the marital deduction provisions of the Internal Revenue Code and that they be construed to conform to that intent. To the extent that any such provision cannot be construed to conform to that intent, it shall be deemed void. In no event shall the deceased spouse's executor or the Trustee take any action or have any power that will impair the marital deduction, and all provisions regarding the Survivor's Trust shall be interpreted to conform to that primary objective.

#### ARTICLE EIGHTH

##### The Disclaimer Trust

The Trustee shall hold, administer and distribute the Disclaimer Trust as follows:

A. The Trustee shall pay to or apply for the benefit of the surviving spouse all of the net income of the Disclaimer Trust quarter-annually or at more frequent intervals.

B The Trustee shall pay to or apply for the benefit of the surviving spouse, so much of the principal of the Disclaimer Trust from time to time as is reasonably required for the surviving spouse's health, maintenance, support and education.

C. Upon the death of the surviving spouse the Trustee shall distribute five percent (5%) of the trust as then constituted to the GOLDEN HILLS COMMUNITY CHURCH of Brentwood, California. The Trustee shall divide rest of the trust into as many equal shares as there are children of the Trustors then living and children of the Trustors then deceased leaving issue then living. The Trustee shall allocate one (1) such equal share to each living child and one (1) such equal share to each group composed of the living issue of a deceased child. Each such share shall be distributed or retained in trust as follows:

1. Each share allocated to a living child shall be distributed to said child free of trust.

2. Each share allocated to a group composed of the living issue of a deceased child of the Trustors shall be distributed to such issue, by right of representation.

D. If pursuant to the provisions of this trust, including the provisions of this Article, any property of any trust created hereunder would upon distribution or termination of such trust be distributable to a beneficiary who shall be under the age of twenty-five (25) years, then in lieu of being distributed to such beneficiary outright, and notwithstanding anything to the contrary herein, all such property shall be retained in a separate trust by the Trustee subject to the following provisions:

1. Until the beneficiary attains the age of twenty-one (21) years, the Trustee shall pay to or apply for the benefit of the beneficiary so much of the net income and principal of the trust from time to time as the Trustee, in the Trustee's discretion, deems necessary for the health, maintenance, support and education of the beneficiary. Any income not distributed shall be accumulated and added to principal.

2. After the beneficiary attains the age of twenty-one (21) years, the Trustee shall pay to or apply for the benefit of the beneficiary all of the net income of the trust quarterly, annually or at more frequent intervals. In addition, the Trustee shall pay to or apply for the benefit of the beneficiary so much of the principal of the trust from time to time as the Trustee, in the Trustee's discretion, deems necessary for the health, maintenance, support and education of the beneficiary.

3. When the beneficiary attains the age of twenty-five (25) years, the Trustee shall distribute to the beneficiary the undistributed balance of the trust.

4. If the beneficiary dies before becoming entitled to receive distribution of the entire trust, the undistributed portion of the trust shall be distributed or retained in trust by the Trustee as follows:

a. If issue of the beneficiary are then living, the Trustee shall distribute the trust to the beneficiary's then living issue by right of representation.

b. If no issue of the beneficiary are then living, the Trustee shall distribute the trust to the then living heirs, to the beneficiary who are Trustors' issue, the identities and respective shares of such heirs to be determined according to the laws of the State of

California then in effect relating to the succession of separate property not acquired from a predeceased spouse; provided, however, that if any property would otherwise be distributed to a person for whose benefit a trust is then being administered under this agreement, such property shall instead be added to that trust and shall thereafter be administered according to its terms.

E. If at the time of the surviving spouse's death, or at any later time before full distribution of any trust created hereunder, no issue of the Trustors are then living and no other disposition of the property is directed by this trust, the Disclaimer Trust or such other trust shall be distributed one-half ( $\frac{1}{2}$ ) to those persons who would have been Trustor wife's heirs and one-half ( $\frac{1}{2}$ ) to those persons who would have been Trustor husband's heirs, if Trustors' deaths had then occurred, their identities and respective shares to be determined according to the laws of the State of California then in effect relating to the succession of separate property not acquired from a parent, grandparent or predeceased spouse.

#### ARTICLE NINTH

##### General Provisions

The following directions and provisions of this Article shall apply to and govern each trust created and provided for hereunder.

##### A. Accounting by the Trustee

Whenever both of the Trustors shall cease to serve as Trustee, the successor Trustee shall thereafter render an annual account of the administration of each trust created hereunder (1) to both of the Trustors, if both are then living, or (2) to the surviving spouse, if only one of the Trustors is then living, or (3) if neither of the Trustors are then living, to each beneficiary to whom income of such trust may be distributed and to each remainderman in being (or to the parents or to the guardian or conservator of the person or estate, or both, if both are appointed, of any such beneficiary who is a minor or under any other disability). In addition to information usually included in such account, such account shall show, so far as may be readily determinable, the market value of all assets on hand at the beginning and end of the period covered by the account and a recapitulation of receipts and disbursements. There need be no segregation or division of the various trusts created herein except as segregation or division may be required by the termination of any of the trusts, but the Trustee shall keep separate accounts for the different undivided interests in the mingled funds. Unless any beneficiary (including parents, guardians or conservators of beneficiaries) shall deliver a written objection to the Trustee within sixty (60) days after receipt of the account, such account



shall, as to all matters and transactions stated therein or shown thereby, be final and binding upon all persons (whether in being or not) who are then or may thereafter become interested in or entitled to share in either the income or the principal of such trust; provided, however, that nothing contained in this paragraph shall be deemed to give such person acting in conjunction with the Trustee the power to alter or amend the terms of such trust.

B. Powers of the Trustee

The Trustee is vested with the following powers with respect to the trust or any part of it, in addition to those powers now or hereafter conferred by law, to be exercised in the discretion of the Trustee and without order of court, except as may be required by law:

1. To continue to hold any property (including shares of a corporate Trustee's own stock) and to operate, or participate in the operation of, at the risk of the trust estate, any business that the Trustee receives or acquires under the trust as long as the Trustee deems advisable; provided, however, that notwithstanding any other provision of this trust, the Trustee shall not hold unproductive or underproductive property as an asset of the Survivor's Trust for more than a reasonable time during the lifetime of the surviving spouse without the surviving spouse's consent.

2. To buy or sell at public or private sale (for cash or on terms), convey, manage, maintain, improve, develop, insure, lease for any term (whether or not extending beyond the term of the trust created herein) and for any lawful purpose, rent, mortgage, pledge or hypothecate, subdivide, partition, grant options at such times, in such manner and upon such terms and conditions as the Trustee shall deem advisable and to otherwise dispose of any trust property or interest therein.

3. To borrow and to make loans, secured or unsecured, in such amounts, upon such terms, at such rates of interest, to such persons, firms, or corporations as the Trustee shall deem appropriate; to guarantee any loans whenever the Trustee deems such guarantee appropriate. The Trustee shall be authorized to lend or borrow, at an adequate rate of interest and with adequate security and upon such terms and conditions as the Trustee shall deem fair and equitable, and to sell or purchase, at the fair market value as determined by the Trustee, any property to or from the estate of either Trustor, or any trust created by either Trustor during life or by will, even though the same person or corporation may be acting as executor of the estate or a Trustee of any of such other trusts and as Trustee of this trust. However, no loans shall be made from the assets of the Survivor's Trust during the

lifetime of the surviving spouse without the consent of the surviving spouse.

4. When investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing the trust property, the Trustee shall act with the care, skill, prudence, and diligence under the circumstances then prevailing, specifically including, but not by way of limitation, the general economic conditions and the anticipated needs of the trust and its beneficiaries, that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. Within the limitations of the foregoing and considering individual investments as part of an overall investment strategy, the Trustee is authorized to acquire every kind of property, real, personal, or mixed, and every kind of investment, including, but not limited to, corporate and government obligations of every kind, preferred and common stocks, mortgage participation, shares of investment trusts and regulated investment companies (including any under the control of an investment counsel employed by the Trustee), mutual funds, market funds, and index funds, and any common trust fund administered by the Trustee; provided, however, that the aggregate return of all investments of the Survivor's Trust from time to time shall be reasonable in light of then existing circumstances, the surviving spouse, by written instrument delivered to the Trustee, shall have the right to direct the Trustee to convert any non-income-producing property, in the Survivor's Trust including life insurance policies, to income-producing property, and the Trustee shall comply with any such direction within a reasonable time after its receipt.

5. To exercise or dispose of any or all options, privileges or rights, or to refrain from exercising such options, privileges or rights.

6. To receive other property acceptable to the Trustee as additions to any trust created hereunder by gift or will or otherwise and to hold and administer the same under the provisions thereof.

7. To carry, at the expense of the trust, insurance of such kind and in such amounts as the Trustee shall deem advisable to protect the trust estate and the Trustee against any hazard.

8. To adjust, compromise, and settle or refer to arbitration any claim in favor of or against the trust upon such terms and conditions as the Trustee shall deem advisable, and to commence, prosecute or enforce, or to defend, answer or

oppose all actions, suits or other legal proceedings as the Trustee shall deem advisable.

9. To make alterations in any buildings located on any trust property or to demolish same and to construct new buildings, all in such manner and upon such terms and conditions as the Trustee shall deem advisable, and to enter into contracts with respect to any of the foregoing.

10. To exercise any and all voting rights, whether by discretionary proxy or otherwise, including without limitation the right to vote in favor of any readjustment or reclassification of the stock of, or any reorganization, recapitalization, consolidation or merger of any corporation; to become a party to, or deposit securities or other property under, any voting trust agreement (whether or not extending beyond the terms of the trust created by this agreement) and to participate in any rescission, termination, amendment or cancellation of any such voting trust agreement.

11. To employ brokers, bankers, custodians, investment counsel, attorneys, and other agents; to hold trust property in the name of the Trustee or to the extent permitted by law in his name without designation of any fiduciary capacity; to keep a checking or savings account of reasonable size with the commercial or savings department of a Trustee bank itself, but only with indication of the fiduciary nature of the account or accounts.

12. To make distributions to or for a minor or other beneficiary under disability in any of the following ways: directly to said beneficiary, if the Trustee, in the Trustee's discretion, considers said beneficiary of sufficient maturity to accept and manage the distribution; by making payments to the guardian or conservator of the person or estate of the beneficiary or to any suitable person with whom he resides; by making distributions to a custodian for the beneficiary under the California Uniform Transfers to Minors Act until age twenty-one (21) or the Transfers to Minors Act of another state; and any and all other ways authorized by law.

13. In any case in which the Trustee is required pursuant to the provisions of this trust to divide any trust property into parts or shares for the purpose of distribution or otherwise the Trustee is authorized, in the Trustee's discretion, to make the division or distribution in cash, in kind (pro rata or non pro rata), including undivided interests in any property, or partly in cash and partly in kind, and for this purpose to make such sale of the trust property as the Trustee may deem necessary on such terms and conditions as the Trustee shall see fit, to make non-pro rata distributions whenever assets are distributed in kind and for purposes of

this division or distribution to value at current values the trust estate or any part thereof reasonably or in good faith and such valuation shall be conclusive upon all parties.

14. With the consent of Trustor or Trustors then living to purchase life insurance policies on the life of any person, to accept life insurance policies or proceeds from life insurance policies for addition to the trust estate, and to pay premiums and exercise all rights of ownership and control contained in policies held by the trust. The Trustee shall have the following rights, powers and obligations with respect to any benefit under a pension, stock bonus, profit sharing or retirement contract or plan (hereinafter referred to as "plan") and any policy of insurance (hereinafter referred to as "policy") payable to the Trustee or to any trust created hereunder:

a. Each Trustor individually reserves the right, by such Trustor's act alone, without the consent or approval of the Trustee, to sell, assign or hypothecate any policies of insurance which such Trustor may own and which are made payable to the Trustee, to exercise any option or privilege granted by such policies, to borrow any sum in accordance with the provisions of such policies and to receive all payments, dividends, surrender values, benefits, or privileges of any kind which may accrue on account of such policies during such Trustor's lifetimes. Furthermore, the Trustee agrees to deliver to such Trustor, on written request of such Trustor, any of such policies owned by the such Trustor and deposited with the Trustee hereunder.

b. The Trustee may but shall not be required to pay premiums, assessments or other charges upon any of the policies owned by the Trustors or otherwise to keep them or any of them binding contracts of insurance. If the Trustee has possession of the policies then in default of payment of the premiums the Trustee may but shall not be required to borrow funds from the insurer in accordance with the terms of the policies and use said borrowed funds to keep the policies binding contracts of insurance.

c. Upon the death of the deceased spouse any policies of insurance insuring the life of the surviving spouse which are the separate property of the deceased spouse shall be distributed as part of the Disclaimer Trust and shall under no circumstances be available to the surviving spouse or subject to any power of appointment granted to the surviving spouse by this agreement.

d. The Trustee shall use its best efforts to collect all sums payable under any plan or policy which sums, including any interest paid by the insurers, upon receipt shall be added to the principal of the trust estate. Subject to any contrary provision in the beneficiary designation of any plan or policy, all sums payable under any plan or policy shall be allocated between the Survivor's Trust and the Disclaimer Trust in the manner provided in Article Sixth after taking into consideration the ownership of the plan benefits or policy immediately preceding the death of the Trustor.

e. The Trustee may compromise, arbitrate or otherwise adjust claims upon any policy or plan. The receipt of the Trustee to any insurer or payor of plan benefits shall be a full discharge and such insurer or payor is not required to see to the application of the proceeds.

f. The Trustee may exercise any of the allowable options for the payment of such policy proceeds or plan benefits.

15. To operate or participate in the operation of any business or any form of business organization at the risk of the trust estate which the Trustee considers appropriate or deems advisable and to transfer any property to any such business or business organization, including but not limited to acting as general partner in a partnership owning and developing real property or conducting other business.

16. To purchase at less than par obligations of the United States of America that are redeemable at par in payment of any federal estate tax liability of either Trustor in such amounts as the Trustee deems advisable, and for that purpose the Trustee may partition a portion of the community property of the trust estate and make such purchase from either or both portions, and may borrow funds and give security. The Trustee shall not be liable to either Trustor, any heir of either Trustor, or any beneficiary of this trust for losses resulting from purchases made in good faith. Notwithstanding the above provisions, the Trustee is required and directed to redeem any obligation of the United States of America that is part of the trust corpus and which is redeemable at par in payment of any federal estate tax liability of either Trustor to the fullest extent possible in payment of federal estate tax liability of either Trustor whether or not such liability is attributable to the trust.

17. In the event the Trustee ever determines that (I) the fair market value of the assets of a trust estate is less than Twenty Thousand Dollars (\$20,000), and (ii) the

administration of any trust hereunder either is no longer economically desirable (in view of the cost of administration as compared with the value of the assets) or is no longer in the best interest of the primary beneficiaries, then provided that the Trustee is not a primary beneficiary, the Trustee, in the Trustee's discretion and subject to any court approval required by law, may terminate the trust and distribute the remaining balance of the trust estate to the then living primary beneficiaries of the trust estate, in the proportions specified for distribution of the net income to them, or if no such proportions are specified, in equal shares (except that if the primary beneficiaries are designated as the group composed of the then living descendants of a deceased ancestor, such distribution shall be to the then living descendants of that deceased ancestor, by right of representation).

18. The Trustee is authorized to enter into transactions for the purchase, sale and trade of securities of any nature and other investments, including, without limitation, stocks (preferred or common), bonds, mutual funds and certificates of deposit; to maintain a margin and short account and through such account to purchase securities on margin, sell securities which the trust does not own (i.e., short sales) and to borrow securities in connection therewith, to borrow money, to secure the performance of the trust's obligations to the brokerage firm by granting a security interest in trust assets held in the trust brokerage account and in other assets held in the trust brokerage account and in other present or future trust brokerage accounts, and to grant authority to the brokerage firm, acting as principal or otherwise, to pledge, repledge, hypothecate, or rehypothecate assets of the trust; to trade in options, including, without limitation, the purchase of puts and calls and the writing (sale) of covered and uncovered puts and calls; to delegate to others (such as a financial advisor) the authority to give trading instructions with respect to a trust brokerage account. The Trustee is authorized to employ investment advisors, specialists and such other agents as he shall deem necessary or desirable. The Trustee shall have the authority to appoint an investment manager or managers to manage all or any part of the assets of the trust, and to delegate to said manager investment discretion. Such appointment shall include the power to acquire and dispose of such assets. The Trustee may charge the compensation of such investment advisors, investment managers, specialists and other agents and any other expenses against the trust.

19. Whenever the Trustee is not required to distribute all income, any income not distributed shall be accumulated and added to principal.

20. The Trustee may distribute the interest of a deceased Trustor in any asset of the trust to the Executor of the estate of the deceased Trustor to be subject to probate proceedings if the Executor deems such action to be in the best interests of the trust and its beneficiaries for tax or other reasons.

21. With respect to the Disclaimer Trust only, the surviving spouse while acting as Trustee is expressly prohibited from exercising any power vested in him primarily for his benefit rather than for the benefit of all the beneficiaries of this trust, and shall not have the power to purchase, exchange or otherwise deal with or dispose of the principal or the income of the trust estate for less than an adequate and full consideration in money or monies worth; or the power to borrow the principal or income of the trust estate directly or indirectly without adequate interest or without adequate security.

22. The Trustee is expressly authorized to continue to hold and operate or participate in the operation of any farming or ranching property or interest that the Trustee receives or acquires under this trust as long as the Trustee deems advisable, at the risk of the trust estate.

23. Any trust created under this trust agreement may at any time be renamed by the Trustee of said trust.

24. Notwithstanding anything herein to the contrary, should a Trustee of any trust hereunder other than the Survivor's Trust receive as an asset of the trust shares of stock in a corporation for which an election is in effect under Subchapter S of the Tax Code ("S Corporation"), the Trustee shall administer and distribute the trust in a manner consistent with the requirements for a trust qualifying to hold shares of an S Corporation as a qualified Subchapter S trust ("QSST"). In the event the trust does not so qualify by its terms, the Trustee is authorized, in the Trustee's absolute discretion, to modify the trust terms to the minimum extent necessary to allow the trust to qualify as an S Corporation shareholder, including, but not limited to, establishing separate share trusts for "sprinkle" trust beneficiaries and allocating the S Corporation shares among one or more of such trust shares, distributing all income annually to the beneficiaries of any trust and/or segregating any S Corporation shares into a separate trust share having the same terms as the parent trust, with the exception of those terms needed to qualify as a QSST. In the event the Trustee elects not to modify or amend the trust to establish a QSST or the Trustee is otherwise unable to cause the trust to so qualify, the Trustee may, in the Trustee's absolute discretion, sell, exchange or otherwise transfer such shares

to a person or entity qualified to hold such shares, including without limitation any other trust established hereunder. A Trustee is authorized to cause the filing of any election which may be necessary or appropriate to qualify any trust hereunder as a QSST.

C. General Administrative Provisions

1. For all purposes under this trust, a person shall not be considered to survive another if he or she shall die within sixty (60) days of the death of such other; provided, however, that this paragraph shall not apply to any case where its application would cause any provision of this trust which would otherwise be valid to be void under any applicable rule against perpetuities.

2. Notwithstanding any provision to the contrary contained in this trust agreement, each trust created hereunder shall, unless sooner terminated in accordance with the provisions of this trust agreement, terminate twenty-one (21) years after the death of the last survivor of the surviving spouse and any issue of the deceased spouse who are living at the time of the deceased spouse's death. All principal and undistributed income of any trust so terminated shall be distributed to the then income beneficiaries of that trust in the proportions in which they are at the time of termination entitled to receive income; provided, however, that if the rights to income are not then fixed by the terms of the trust, distribution shall be made by right of representation to the deceased spouse's issue who are then entitled or authorized in the Trustee's discretion to receive income payments or if there are no such issue, in equal shares to those beneficiaries who are entitled or authorized to receive income.

3. No interest in the principal or income of any trust provided for herein shall be anticipated, assigned, encumbered or subject to any creditor's claim or to legal process prior to its actual receipt by the beneficiary.

4. In the exercise of any power of appointment created by this trust, unless the contrary is stated, the donee of such power may appoint life estates to one or more objects of the power with remainders to others, appoint to grandchildren or more remote issue even though the parents of such appointees are living, impose lawful conditions upon any appointment, provided no one other than the object of the power is benefited thereby, impose lawful spendthrift restrictions upon any appointment, make appointments outright to an object or in trust for the object, and create in any object a general power of appointment or a special power to appoint among objects of the original power. These powers of



the donee of a power of appointment are in addition to and not in restriction of powers he would otherwise have.

5. Wherever provision is made in this trust for payment of the "education" of the beneficiary, the term "education" shall be construed to include private primary and secondary schools, college, postgraduate study and specialty training or general educational preparation for a vocation, so long as the Trustee decides that said education is being pursued to advantage by the beneficiary, at an institution of the beneficiary's choice. In determining payments to be made for such education, the Trustee shall take into consideration the beneficiary's related living expenses to the extent that they are reasonable.

6. This trust has been accepted by the Trustee in the State of California, and unless otherwise provided in this agreement, the validity and construction of this trust shall be governed by the laws of that state.

7. If any provision of this trust agreement is unenforceable, the remaining provisions shall nevertheless be carried into effect.

8. For purposes of this trust, "issue" means the blood descendants in any degree of the ancestor designated, and "children" means the issue in the first degree of the parent designated; provided, however, that if a person has been legally adopted before attaining the age of eighteen (18), that child and his issue shall be considered as issue of the adopting parent and of anyone who is by blood or adoption an ancestor of the adopting parent.

9. Distribution "by representation," "by right of representation," and "per stirpes" shall mean dividing the property into as many equal shares as there are then living children and deceased children with descendants then living of the designated ancestor.

10. As used in this trust the masculine, feminine or neuter gender and the singular or plural number shall each be allowed to include the others whenever the context so indicates.

11. There need be no segregation or division of the various trusts created herein except as segregation or division may be required by the termination of any of the trusts, but the Trustee shall keep separate accounts for the different undivided interests on the mingled funds.

12. Except as otherwise provided herein, income accrued or unpaid on trust property when received into the trust shall

be treated as any other income. Whenever the right of any beneficiary to payments from net income or principal hereunder shall terminate, either by reason of death or otherwise all such payments accrued or undistributed by the Trustee at the date of such termination shall be distributed to the beneficiary entitled to the next successive interest hereunder.

13. All powers created by this trust in a beneficiary or Trustee are releasable in whole or in part. In addition to any other method of release recognized by law, any such power may be released by an instrument in writing, filed with a fiduciary in charge of the estate or trust, declaring the donee's intention to release.

14. Whenever the Trustee is given the discretion to pay income or principal of any trust provided for herein to one or more of the beneficiaries of said trust, the Trustee shall take into consideration any other income or resources of said beneficiary known to the Trustee.

15. Should any attorney-in-fact be granted the authority to exercise any rights of a Trustor hereunder, such authority shall be limited to powers to make additions to the trust estate and to make withdrawals for the benefit of the Trustor and for the purpose of making annual gifts within the federal gift tax annual exclusion amount.

15. Whenever the Trustee is given the discretion to pay income or principal of any trust provided for herein to the surviving spouse for health, maintenance and support, the Trustee shall adopt as a standard the accustomed manner of living of the surviving spouse at the time of death of the predeceased Trustor.

16. Whenever the Trustee is directed to make a distribution of trust assets or a division of trust assets into separate trusts or shares on the death of the Trustor, the Trustor may, in the Trustee's discretion, defer such distribution or division until six months after the Trustor's death.

When the Trustee defers distribution or division of the trust assets, the deferred division or distribution shall be made as if it had taken place at the time prescribed in this instrument in the absence of this paragraph, and all rights given to the beneficiaries of such trust assets under other provisions of this instrument shall be deemed to have accrued and vested as of such prescribed time.

17. Where there is more than one current beneficiary of income or principal of a trust, the Trustee may pay more to or

apply more for some beneficiaries than others and may make payments to or application of benefits for one or more beneficiaries to the exclusion of others if the Trustee shall deem this necessary or appropriate in the light of the circumstances, the size of the trust estate and the probable further needs of the beneficiaries. Any such payment or application of benefits shall be charged against the trust estate as a whole rather than against the ultimate distributive share of a beneficiary to whom or for whose benefit payment is made.

18. Except as otherwise specifically provided in this trust agreement, the determination of all matters with respect to what is principal and income of the trust estate and the apportionment and allocation of receipts and expenses between these accounts shall be governed by the provisions of the California Revised Uniform Principal and Income Act from time to time existing. Any such matter not provided for in this trust agreement or in the California Revised Principal and Income Act, shall be determined by the Trustee, in the Trustee's reasonable discretion. Notwithstanding any other provisions of this trust agreement or of the California Revised Uniform Principal and Income Act, the Trustee shall be required to establish a reserve for depreciation of all income-producing real and personal property and of capital improvements and extraordinary repairs. In addition:

a. A reasonable reserve for depletion of all depletable natural resources, including, but not limited to, oil, gas, and mineral and timber property, shall be charged to income from time to time;

b. Distributions by mutual funds and similar entities of gains from the sale or other disposition of property shall be credited to principal;

c. A reasonable reserve for amortization of all intangible property with a limited economic life including, but not limited to, patents and copyrights shall be charged to income from time to time; provided, however, the aggregate return of all investments of the Survivor's Trust from time to time shall be reasonable in light of the existing circumstances.

19. With respect to the Survivor's Trust, for all bonds purchased at a discount, the Trustee shall, at least annually, accumulate and pay each discount as interest if necessary from principal or the sale or redemption proceeds.

20. If the Trustee redeems treasury bonds at par to pay the deceased spouse's federal estate tax liability, the Trustee shall consider any accrued interest on such bonds in

calculating the payment of income from the Survivor's Trust to the surviving spouse.

21. On the death of the deceased spouse, the surviving spouse shall have the right to continue to occupy all real property in the trust estate that the surviving spouse and the deceased spouse were using for residential purposes (whether on a full- or part-time basis, including resort property), provided, however, that the surviving spouse, in his or her discretion, may direct the Trustee to sell any such property and replace it with or rent or lease another residence selected by the surviving spouse. The Trustee shall pay a proportionate part of the mortgage or trust deed payments, the property taxes, assessments, insurance, maintenance, and ordinary repairs on all such property, or any rent or lease payments equal to the trust's proportionate interest in the property. Such payments shall be made out of income, and to the extent income is insufficient, out of principal of the trust estate.

22. The Trustee shall be authorized to make elections permitted by any tax law as to the filing of joint returns and the consenting to have gifts made by another treated as being made in part by a Trustor. The Trustee is further authorized to make any and all other elections permitted by any tax law applicable to the estate and Trust. No beneficiary under this Trust shall have any right to recoupment or restoration of any loss the beneficiary suffers as a result of the use of allocations and elections. In particular, the Trustee is authorized (but not directed):

a. To allocate under Section 2632(a) of the Code any of a Trustor's federal exemption from the federal generation-skipping transfer tax provided in Section 2631 of the Code which is available at the time of either Trustor's death to any property as to which a Trustor is deemed to be the transferor under the provisions of Section 2652(a) of the Code, including any property transferred by a Trustor during a Trustor's life as to which the Trustor did not make an allocation prior to the Trustor's death.

b. To divide any trust established by this instrument, at any time, into two or more separate trusts so that the federal generation-skipping transfer tax inclusion ratio as defined in Section 2642(a) of the Code for each trust shall be either zero or one. Any such separate trusts shall have the identical provisions as the original trust. Property allocated to any such separate trusts shall be fairly representative of the net appreciation or depreciation in the value of all property in the original trust measured from the date of death of

Trustor to the date of division and shall either bear appropriate interest (as defined at Proposed Treasury Regulation § 26.2642-2(b)(4)) or shall be allocated or permanently set aside within fifteen (15) months of Trustor's death. The foregoing requirements are intended to comply with and shall be interpreted and adapted to meet the requirements of the applicable proposed or final generation-skipping regulations (or substitute or successor provisions of the Internal Revenue Code or regulations thereunder).

c. Property may be subject to elections and allocations under Subparagraphs a. and b. of this paragraph whether or not it is included in Trustor's probate estate. All elections and allocations under Subparagraphs a. and b. of this Paragraph shall be in the discretion of the Trustee, who shall have the power to omit any such property from any such election or allocation. Any decision made by the Trustee under this Paragraph shall be binding on all persons.

d. It is Trustor's desire, which is precatory and not binding on the Trustee, that, in determining whether and how to exercise discretion as to distributions from any trust created under this instrument, the Trustee will consider ways to reduce federal transfer taxes upon the property in the trust and correspondingly to increase the amount of property ultimately passing to the beneficiaries of the trust. For example, Trustor suggests that the Trustee consider making distributions for medical and tuition expenses directly to the provider of the services that will be excluded from the definition of generation-skipping transfer by Section 2611(b)(2) of the Code.

## ARTICLE TENTH

### Successor Trustee

A. If either Trustor shall for any reason cease to act as Trustee, the other Trustor shall act as sole Trustee. If both Trustors shall for any reason cease to act as Trustee, the successor Trustees shall be those persons named below. Each successor Trustee shall serve in the order designated if the prior Trustee fails to qualify or ceases to act:

First Successor: CRAIG M. NOBILI

Second Successor: STEVEN J. NOBILI

B. In the event a Trustee is determined incompetent by the acting physician of said Trustee, the Trustee shall have no further

powers, discretions, rights, obligations or duties with reference to the trust estate, and all such powers, discretions, rights, obligations and duties provided for herein shall inure to and be binding upon the Co-Trustee or successor Trustee.

C. No bond shall be required of any Trustee under this trust.

D. The Trustee or Trustees may name a Co-Trustee. Except as to matters vested exclusively in one or the other Trustee, when there are Co-Trustees the action of all the Trustees in office shall be required in order to act in any matter affecting the trust; provided, however, that the Trustees may agree between or among themselves and may authorize and delegate any one or more of the Trustees, either individually or in concert, to exercise the powers provided for in this trust.

E. In the event of a vacancy in the Trusteeship not filled by the terms of this trust agreement, the Trustor or Trustors then living and upon the death or incompetency of both Trustors, a majority of the adult beneficiaries of any trust created hereunder shall have the power to appoint a successor Trustee, by means of a written appointment accepted in writing by said successor Trustee. The successor Trustee of a trust may not be a beneficiary of that trust with the exception that any beneficiary named in this trust agreement as Trustee or successor Trustee may so serve or be reappointed to serve in the capacity as named. The former Trustee shall, after deducting all charges and amounts due it as such Trustee, transfer and deliver the trust estate to the successor Trustee, and thereafter said former Trustee shall have no further powers, discretions, rights, obligations or duties with reference to the trust estate, and all such powers, discretions, rights, obligations and duties provided for herein shall inure to and be binding upon such successor Trustee.

F. The Trustor or Trustors then living and upon the death or incompetency of both Trustors a majority of the adult beneficiaries of any trust created hereunder shall have full power and authority to remove a corporate Trustee and name a successor Trustee as provided in preceding Paragraph E.

G. All powers and discretions vested in the Trustee shall be vested in and exercisable by any successor Trustee. The successor Trustee shall not incur any liability by reason of, or have any duty or responsibility to inquire into or take any action with respect to, any acts performed or omitted to be performed by a predecessor Trustee while acting as the Trustee from time to time prior to the appointment of the successor Trustee.

H. Unless otherwise specifically provided in this trust, the singular "Trustee" shall include all Trustees when Co-Trustees are

appointed and so acting and shall be deemed to include any successor Trustee.

I. The Trustee, other than the Trustors, shall be entitled to reasonable compensation: (a) for ordinary services hereunder; (b) for any extraordinary services; (c) for counsel engaged by the Trustee; and (d) for all services in connection with the termination or revocation of the trust in whole or in part. Any disbursements for such compensation or for counsel fees shall be payable, as the Trustee may deem proper, wholly from principal or wholly from income or partly from each.

#### ARTICLE ELEVENTH

##### No Contest

If any beneficiary under this trust in any manner, directly or indirectly, contests or attacks this trust or any of its provisions, any share or interest in the trust given to that contesting beneficiary under this trust is revoked and shall be disposed of in the same manner provided herein as if that contesting beneficiary had predeceased the Trustors without issue.

#### ARTICLE TWELFTH

##### Payment of Taxes and Expenses

A. On the death of the deceased spouse, all death taxes that may by reason of the deceased spouse's death be attributable to the trust estate or any portion of it, shall be paid by the Trustee out of the Disclaimer Trust (or if there is no disclaimer, out of the Survivor's Trust), without adjustment among the beneficiaries and shall not be charged against or collected from any beneficiary of the trust. In addition, the Trustee may, in the Trustee's discretion, pay (1) all death taxes not attributable to the trust estate, but arising by reason of the deceased spouse's death and (2) debts of the deceased spouse, last illness and funeral expenses of the deceased spouse, and attorney's fees and other costs incurred in administering the deceased spouse's estate; said payments shall be charged to the Disclaimer Trust (or if there is no disclaimer, out of the Survivor's Trust), provided, however, administration costs allocable to the surviving spouse's share of the community property administered in the deceased spouse's estate shall be charged to the Survivor's Trust and payment of any of the deceased spouse's debts shall be paid proportionately from the property of the trust estate as such property shall be liable for the debts.

B. On the death of the surviving spouse and subject to any power of appointment exercised by the surviving spouse, the Trustee

shall charge and collect all federal death taxes for assets passing under this trust, the surviving spouse's will and outside the surviving spouse's will from those persons sharing in the federal taxable estate in accordance with the California Probate Code provisions for death tax apportionment and allocation. Further, the surviving spouse directs the Trustee to charge and collect all other death taxes in the same manner as the federal death taxes and not as probate administration expenses. These tax directions shall not apply to any gifts passing under the surviving spouse's will or under this trust designated as "free of all death taxes" and, subject to any power of appointment exercised by the surviving spouse, the Trustee shall pay all such death taxes from the Survivor's Trust, or if it has been exhausted, out of the Disclaimer Trust. On the surviving spouse's death, and subject to any power of appointment exercised by the surviving spouse, the Trustee may, in the Trustee's discretion, pay out of the Survivor's Trust, or if it has been exhausted, out of the Disclaimer Trust, the surviving spouse's debts, last illness and funeral expenses, and attorney's fees and other costs of administering the surviving spouse's probate estate.

C. "Death taxes" includes federal, foreign, state, and local estate and inheritance taxes, including penalties and interest, but not generation-skipping or special use valuation recapture taxes. Generation-skipping transfer taxes shall be allocated and paid in accordance with California and federal law.

D. Notwithstanding anything in this instrument to the contrary, the Trustee shall not pay any death taxes, including interest or penalties, last illness and funeral expenses, attorney's fees, administration expenses, debts or other obligations of a deceased Trustor or his or her estate, from funds received from qualified retirement plans that are excludable in whole or in part from the deceased Trustor's gross estate for federal estate tax purposes.

We certify that we have read the foregoing trust agreement and that it correctly states the terms and conditions under which the trust estate is to be held, managed and disposed of by the Trustee. We approve the trust agreement in all particulars and request the Trustee to execute it.

Executed on May 24, 1995, at Danville, California.

Roland Nobili  
ROLAND NOBILI

Elizabeth A. Nobili  
ELIZABETH A. NOBILI  
"Trustors"



Executed on May 24, 1995, at Danville,  
California.

Roland Nobili  
ROLAND NOBILI

Elizabeth A. Nobili  
ELIZABETH A. NOBILI  
"Trustees"

STATE OF CALIFORNIA            )  
  ) ss.  
COUNTY OF CONTRA COSTA    )

On May 24, 1995, before me, Patricia J. Waddell, a Notary Public, State of California, duly commissioned and sworn, personally appeared ROLAND NOBILI and ELIZABETH A. NOBILI, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Trustors of "THE NOBILI TRUST," subscribed to the within instrument, and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed this instrument.

WITNESS my hand and official seal.

Patricia J. Waddell  
Notary Public



TRUSTEE AUTHORIZATION

We, ROLAND NOBILI and ELIZABETH A. NOBILI, as Trustees of THE NOBILI TRUST, pursuant to paragraph D of Article Tenth of THE NOBILI TRUST dated \_\_\_\_\_, hereby authorize either ROLAND NOBILI or ELIZABETH A. NOBILI to sign, endorse, execute, acknowledge, deliver, receive, and possess such applications, contracts, agreements, documents of title, bonds, checks, notes, stock certificates, proxies, and such other instruments in writing of whatever kind and nature as may be necessary or proper in the exercise of the Trustee powers provided in THE NOBILI TRUST, and one such signature shall bind the Trust.

Dated: May 24, 1995.

Roland Nobili  
ROLAND NOBILI, Trustee

Elizabeth A. Nobili  
ELIZABETH A. NOBILI, Trustee

STATE OF CALIFORNIA       )  
                                      ) ss  
COUNTY OF CONTRA COSTA   )

On May 24, 1995, before me, Patricia J. Waddell, a Notary Public, State of California, duly commissioned and sworn, personally appeared ROLAND NOBILI and ELIZABETH A. NOBILI, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Trustees of "THE NOBILI TRUST dated May 24, 1995," subscribed to the within instrument, and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed this instrument.

WITNESS my hand and official seal.



Patricia J. Waddell  
Notary Public

**SCHEDULE A**

1. Residence located at 133 Mountaire Parkway, Clayton, California.