i	•
AFTER RECORDING MAIL TO:	
Name FRED Schaffer	
Address P.O. Box 279	
City/State Carson, WA 98610	
Quit Claim Deed	First American Title
THE GRANTOR Bonnie S. Schaffer/FRED E. Sch	affel Insurance Company
for and in consideration of D Bonnie S. Schaffer & FRED E. Schaf conveys and quit claims to Bonnie 5. Schaffe	rer r
and FRED E. Schaffer Revocable	TRUST (this space for title company use only)
the following described real estate, situated in the County of	KAMANIA , State of Washington,
together with all after acquired title of the grantor(s) therein:	
LOT 1 RUDHE TRACTS	BK A/PG 141
Skamania County Assessor Date 10-14-10 Parcell 3-8-27-3-0-402	REAL ESTATE EXCISE TAX
Jn PA	OCT 1 4 2010 ID
	82730040200
Dated Oct. 14, 2010, 19	
Bonnie S. Schaffer	
Ful Electron By_	
/#Adividual) By	(President)
LPB-12 (11/96)	(Secretary)

AFN #2010176619 Recorded 10/14/10 at 12:18 PM DocType: DEED Filed by: FRED SCHAFFER Page: 1 of 10 Auditor Timothy O. Todd Skamania County, WA

County of Skamania } ss.	ACKNOWLEDGMENT - Individual	
	red ? Bonnie Schaffer	
	to me known	
	e within and foregoing instrument, and acknowledged that	
GIVEN under my hand and official seal this	14 day of October 19-2010	
HEIDI B. PENNER NOTARY PUBLIC STATE OF WASHINGTON COMMISSION EXPIRES JANUARY 19, 2011	Notary Public in and for the State of residing at My appointment expires	
County of day of, Washington, duly comprisioned and area.	ACKNOWLEDGMENT - Corporate 19, before me, the undersigned, a Notary Public in and for the State of	
Washington, duly commissioned and sworn, person and and Secr	to me known to be the	
	trument, and acknowledged the said instrument to be the free and voluntary	
	seal affixed (if any) is the corporate seal of said corporation.	
Witness my hand and official seal hereto affixed the day and year first above written.		
	and say and year and above written.	
	Notary Public in and for the State of Washington, residing at	
WA-46A (11/96)	My appointment expires	
is jurat is page 2 of 2 and is attached	110 QCD doesd 10-14-10	

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BONNIE S. SCHAFFER AND FRED E. SCHAFFER REVOCABLE TRUST

This declaration of trust is executed on <u>Get. 12</u>, <u>2010</u>, by Bonnie S. Schaffer and Fred E. Schaffer hereafter called Settlors or Trustees (and sometimes wife and husband) depending on the context. They hereby declare that they have set aside or transferred or will transfer property to themselves as Trustees and they will hold the property so transferred on the terms set forth in this declaration.

ARTICLE ONE (The Trust Estate)

TRUST ESTATE. The "Trust Estate" consists of the property transferred to the trust by the Settlors or their wills, as insurance proceeds or pension benefits, or if acceptable to the Trustee from any other person or source.

TRUST ESTATE IS COMMUNITY PROPERTY. All property transferred to this trust is community property as defined by California law and shall retain its character as such notwithstanding the transfer to this trust. This declaration of community property character includes pension, IRA, Keogh and other like holdings that name the trust as a beneficiary. This provision is intended to satisfy any statutory requirements of a written agreement to transmute the character of property to community property. The Settlors waive any right to reimbursement they may have under any provisions of Section 2640 of the California Family Law Code. Any power reserved to the Settlors to alter, amend, modify, or revoke this trust, in whole or in part, is held by the Settlors during their joint lifetimes in their capacity as managers of the community property, subject to all restrictions imposed by law on their management of the community property.

The Settlors intend for this trust agreement to be considered an express contract between them with respect to this declaration of the community property character of the Trust Estate. This provision complies with generally accepted principles found in the Restatement of Conflict of Laws, 3rd Edition Section 14.4 stating that the marital property regime of a married couple may be governed by an express contract between them.

ARTICLE TWO (Power to Revoke and Amend)

A. REVOCATION. While both Settlors are living this trust may be revoked, in whole or in part, by an instrument in writing signed by both Settlors jointly or by either Settlor alone. On revocation, the Trustees shall deliver the Trust Estate or the revoked portion thereof to either or both of the Settlors, in either event as the community property of both Settlors.

B. AMENDMENT. While both Settlors are living the terms of this trust may be amended, with respect to all or any part of the Trust Estate or terms, only by an instrument in writing signed by both Settlors. If neither Settlor is a Trustee, the instrument shall be delivered by a Settlor

personally, by certified mail, or any other form of delivery requiring proof of receipt to the then acting Trustee.

C. DISABILITY OF SETTLOR(S). All of the Settlors' powers to revoke and amend are personal to them. The disability of one Settlor shall not prevent exercise by the other Settlor of his or her power of revocation for the purpose of holding some or all of the property as community

property outside the Trust Estate.

D. DEATH OF SETTLORS. Upon the death of the first Settlor to die, the Surviving Settlor may revoke or amend the trust by an instrument in writing signed by the Surviving Settlor. If the Settlor is not acting as Trustee, the amendment shall be delivered by the Settlor personally, by certified mail, or any other form of delivery requiring proof of receipt to the then acting Trustee. If any portion of the trust is revoked, the Trustees shall be entitled to retain assets required for the payment of liabilities properly incurred in administering the trust, unless indemnified by a Settlor against loss or expense. On the death of the second Settlor to die the trust created by this Declaration shall become irrevocable and not subject to amendment.

ARTICLE THREE (Distribution of Income and Principal During Settlors' Joint Lifetime)

A. As long as both Settlors are alive, the Trustees shall pay to either or both of the Settlors or apply for their benefit and care, in at least annual installments, the net income of the trust and also as much of the principal of the Trust Estate as the Trustees deem appropriate for the Settlors support, comfort, health, care and general welfare.

B. The term "care" as used throughout this declaration with regard to the Settlors shall include maintaining them during their lifetime in their regular residences, or elsewhere as may be appropriate, despite a need for extensive medical or personal care at a cost that may exceed the cost of care at a home for the elderly, a health-care institution, or the like. The Settlors direct the Trustee, to the extent practical, to exercise discretion under these provisions to enable them to live at home and in familiar circumstances if they wish and are reasonably able to do so with nursing, household and other assistance.

C. The Settlors, acting jointly, may at any time direct the Trustees to pay single sums or periodic

payments out of the Trust Estate to any other person or organization.

ARTICLE FOUR (Determination of Incapacity or Disability)

In this instrument, the terms "incompetent" and "disabled" shall refer to a physical or mental inability to carry out one's usual business affairs, whether or not such person is legally determined to be incompetent or in need of a Conservator. To prove a change of Trustee based on incapacity, the Trustee or a Successor Trustee may rely upon a written declaration made by either Settlor as to the other Settlor as to the incompetance or disability of the Settlor. If a Settlor is not available to make a determination of incapacity, then the declaration shall be made by, in order of priority, either 1) Cheryl D. Schaffer or 2) Dawn M. Chaussee. Any action taken by a Successor Trustee pursuant to such declaration shall be binding on all persons interested in the trust. No statement of incapacity from any physician shall be required

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to prove a change of Trustee as it is the Settlors' specific intention that physicians and courts not be involved in the determination of incapacity for any purpose. No third party shall incur any liability for relying on such declaration to prove a change of Trustee.

ARTICLE FIVE (Payments Upon Death of First Settlor to Die)

A. On the death of the first Settlor to die the Trust Estate, including all of the property of the Settlors that is received by the Trustees from insurance, pension plans and other sources upon or by reason of the death of the Settlor, shall be retained in trust for the benefit of the Surviving Settlor. The Trustee shall pay to the Surviving Settlor or apply for their benefit and care, in at least annual installments, the net income of the trust and also as much of the principal of the Trust Estate as the Trustees deem appropriate for the Surviving Settlor's support, comfort, health, care and general welfare.

ARTICLE SIX (Distribution of the Trust on Surviving Settlor's Death)

A. On the Surviving Settlor's death, the Trustee, in the Trustee's discretion, may pay out of the Trust Estate the deceased spouse's debts outstanding at the time of his or her death and not barred by the statute of limitations, or any other provision of law, the federal or state estate and inheritance taxes, including interest and penalties, the last illness and funeral expenses of the deceased spouse, attorneys' fees, and other costs incurred in administering the deceased spouse's probate estate. Any payments for estate or inheritance taxes shall be charged to the Trust Estate without apportionment or charge against any beneficiary of the Trust Estate. Payments for last illness, funeral, and other administration costs shall be charged to the deceased spouse's share of the Trust Estate.

The Trustee shall distribute the residue of the Trust Estate to the Settlors' child Cheryl D. Schaffer, the Settlors' child Dawn M. Chaussee, the Settlors' grandchild Jessica D. Schaffer and the Settlors' grandchild Nicholas S. Chaussee by right of representation.

If there is no beneficiary and no surviving issue of a beneficiary living at the time of the Settlors' death then the residue of the Trust Estate shall be distributed, free of trust, to the wife's sister M. Yvonne Taylor by right of representation.

B. If there are any beneficiaries, who are under the age of 30 at the time they become entitled to a share of the Trust Estate, the Trustee shall retain their share in trust and pay to or apply for the benefit of the beneficiary, as much of the net income and principal of the trust share as the Trustee in the Trustee's discretion considers necessary for the beneficiary's proper support, health, maintenance, and education at an accredited academic institution, considering to the extent the Trustee considers advisable any other income or resources known to the Trustee for that beneficiary.

When the beneficiary has attained the age of 30, the Trustee shall distribute the remaining assets of the trust share, free of trust, to the beneficiary.

ARTICLE SEVEN (The Trustees and Their Powers)

- A. Except as otherwise expressly provided, all references and grants of powers to the Trustee in this declaration of trust apply not only to the original Trustee but also to any substitute Trustee or Trustees.
- B. TRUSTEES. The Settlors shall serve as Co-Trustees for each trust created under this declaration as long as both Settlors are living. Upon the death, resignation, or incapacity of either Settlor the remaining Settlor shall become sole Trustee. Upon the death, resignation, or incapacity of both Settlors then there shall be one Trustee who shall be, in order of priority, 1) Cheryl D. Schaffer or 2) Dawn M. Chaussee.
- (1) RESIGNATION. A Trustee may resign at any time by an instrument in writing delivered personally, by certified mail, or other form of delivery requiring proof of receipt, to the Settlors who are then living. If there is no Settlor living, then delivery shall be made to the Trustee who may be appointed by the resigning Trustee if the Settlors have not provided for one in this declaration. Under no circumstances, however, shall a corporate Trustee be appointed as Trustee for any trust created under this declaration. A Trustee shall not be removed as a Trustee solely because they are also a beneficiary.
- (2) SETTLORS AS TRUSTEES. As long as both Settlors are acting in their capacity as Trustees, the Trustees shall have the authority to open any type of accounts offered by conventional banking or brokerage institutions in the name of the trust. These accounts may require the signature of only one Trustee in order to facilitate the daily banking and trading activities of the trust. The powers of the Trustees remain subject to all other provisions of the trust.
- (3) BOND. No bond shall be required of any person named in this instrument as Trustee, or of any person appointed as the Trustee in the manner specified here, for the faithful performance of his or her duties as Trustee.
- C. POWERS OF THE TRUSTEES. In order to carry out the provisions of the Trusts created by this instrument, the Trustee shall have these powers in addition to those now or hereafter conferred by law: (1) The Trustee may, in the Trustee's discretion, invest and reinvest trust funds in every kind of property (real, personal, or mixed) and every kind of investment, specifically including, but not limited to, corporate obligations of every kind; preferred or common stocks; shares of investment trusts, investment companies, and mutual funds; life insurance policies; notes, real estate, bonds, debentures, mortgages, deeds of trust, mortgage participations, market funds and index funds appropriate under the then prevailing circumstances (specifically including, but not limited to, the factors set out in probate Code section 16047(c)):
- a. General economic conditions.
- b. The possible effect of inflation or deflation.
- c. The expected tax consequences of investment decisions or strategies
- d. The role that each investment or course of action plays within the overall trust portfolio.

e. The expected total return from income and the appreciation of capital.

f. Other resources of the beneficiaries known to the Trustee as determined from information provided by the beneficiaries.

g. Needs for liquidity, regularity of income, and preservation or appreciation of capital.

h. An asset's special relationship or special value, if any, to the purposes of the trust or to one or more of the beneficiaries.

In so doing, the Trustee shall exercise care, skill, and caution to attain the Settlors' goals under this instrument.

The Trustee shall consider individual investments as part of an overall investment strategy having risk and return objectives reasonably suited to the purposes of the trust. The Trustee's investments may include stock in any entity owned by the Trustee or membership in any limited liability company or limited liability partnership of which the Trustee is a member or partner.

The Trustee shall also have the power to establish and maintain margin accounts and to buy or sell options but only when a Settlor is acting as Trustee.

- (2) To continue to hold any property including any shares of the Trustee's own stock and to operate 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.
- (3) To have all the rights, powers, and privileges of an owner with respect to the securities held in trust, including, but not limited to, the powers to vote, give proxies, and pay assessments; to participate in voting trusts, pooling agreements, foreclosures, reorganizations, consolidations, mergers, and liquidations, and incident to such participation to deposit securities with and transfer title to any protective or other committee on such terms as the Trustee may deem advisable; and to exercise or sell stock subscription or conversion rights.
- (4) To hold securities or other property in the Trustee's name as Trustee under this Trust.
- (5) To manage, control, grant options on, sell (for cash or on deferred payments), convey, exchange, partition, divide, improve, and repair Trust property.
- (6) To rent and or lease Trust property for terms within or beyond the term of the Trust for any purpose, including exploration for and removal of gas, oil, and other minerals; and to enter into community oil leases, pooling, and unitization agreements.
- (7) To lend money to the probate estate of either Settlor, provided that any such loan shall be adequately secured and shall bear a reasonable rate of interest.
- (8) To purchase property at its fair market value as determined by the Trustee in the Trustee's discretion, from the probate estate of either Settlor.
- (9) To loan or advance the Trustee's own funds to the Trust for any Trust purpose, with interest at current rates; to receive security for such loans in the form of a mortgage, pledge, deed of trust, or other encumbrance of any assets of the Trust; to purchase assets of the Trust at their fair market value as determined by an independent appraisal.
- (10) The Trustee shall have the power to release or to restrict the scope of any power that he or she may hold in connection with the Trust created under this instrument, whether said power is expressly granted in this instrument or implied by law. The Trustee shall exercise this power in a written instrument specifying the powers to be released or restricted and the nature of any such restriction.

- (11) To take any action and to make any election, in the Trustee's discretion, to minimize the tax liabilities of this Trust and its beneficiaries, and it shall have the power to allocate the benefits among the various beneficiaries, and the Trustee shall have the power to make adjustments in the rights of any beneficiaries, or between the income and principal accounts, to compensate for the consequences of any tax election or any investment or administrative decision that the Trustee believes has had the effect of directly or indirectly preferring one beneficiary or group of beneficiaries over others.
- (12) To borrow money, and to encumber Trust property by mortgage, deed of trust, pledge, or otherwise.
- (13) To commence or defend, at the expense of the Trust, such litigation with respect to the Trust or any property of the Trust Estate as the Trustee may deem advisable, and to compromise or otherwise adjust any claims or litigation against or in lavor of the Trust.
- (14) To carry insurance of such kinds and in such amounts as the Trustee deems advisable, at the expense of the Trust, to protect the Trust Estate and the Trustee personally against any
- (15) To withhold from distribution, in the Trustee's discretion, at the time for distribution of any property in this Trust, without the payment of interest, all or any part of the property, as long as the Trustee shall determine, in the Trustee's discretion, that such property may be subject to conflicting claims, to tax deficiencies, or to liabilities, contingent or otherwise properly incurred in the administration of the estate.
- (16) To purchase bonds, and to pay such premiums in connection with the purchase as the Trustee, in the Trustee's discretion, deems advisable, provided, however, that each premium shall be repaid periodically to principal out of the interest on the bond in such reasonable manner as the Trustee shall determine and, to the extent necessary, out of the proceeds on the sale or other disposition of the bond.
- (17) To purchase bonds at such discount as the Trustee, in the Trustee' discretion, deems advisable, provided, however, that each discount shall be accumulated periodically as interest in such reasonable manner as the Trustee shall determine and to the extent necessary paid out of the proceeds on the sale or other disposition of the bond or out of principal.
- (18) To partition, allot, and distribute the Trust Estate, on any division or partial distribution or final distribution of the Trust Estate, in undivided interests or in kind, or partly in money and partly in kind, at valuations determined by the Trustee, and to sell such property as the Trustee may deem necessary to make division or distribution. In making any division or partial or final distribution of the Trust Estate, the Trustee shall be under no obligation to make a prorata division, or to distribute the same assets to beneficiaries similarly situated; but rather, the Trustee may, in the Trustee's discretion, make a nonprorata division between Trusts or shares and nonprorata distributions to such beneficiaries, as long as the respective assets allocated to separate trusts or shares, or distributed to such beneficiaries, have equivalent or proportionate fair market value and income tax basis.
- (19) Each Trustee shall have the power to employ any attorney, accountant, financial planner, investment advisor or any other agent or agents to assist the Trustee in the administration of this Trust and to rely on the advice given by these agents.
- (20) The Trustee shall have the power to deal with governmental agencies. To make applications for, receive and administer any of the following benefits: Social Security, Medicare, Medicaid, Supplemental Security Income, In-Home Support Services, and any other

government resources and community support services available to the elderly.

(21) The Trustee shall have the power to make elections and direct distributions from either Settlor's retirement accounts, pension plans or annuities that name the trust as a primary or contingent beneficiary. This power shall be construed as and is intended to be a valid power of attorney in which the Trustee may act as the agent of either Settlor for these purposes. This power shall survive the subsequent incapacity of either or both Settlors. Trust beneficiaries shall be treated as designated for the purpose of determining minimum distributions from an IRA based on the age of the oldest trust beneficiary.

(22) The Trustee shall have the power to exercise any stock options held by either or both

Settlors at the time of death.

(23) The Trustee shall be entitled to pay him or her self reasonable compensation for services rendered to the Trust without need of prior court approval so long as such compensation does not exceed one percent per year of the asset value of the Trust.

ARTICLE EIGHT (General Provisions)

A. The validity of this trust for real property shall be governed by the law of the state of its situs. The construction, interpretation and administration of this trust shall be governed by the laws of the state of California regardless of its situs or the domicile of the Trustee with regard to all other matters. This choice of law provision is based in part on the legal authority stated in the Restatement Second of Conflict of Laws section 268(1). This choice of law provision is intended to be exclusive.

B. The Settlors waive the annual accounting requirements for any trust created under this declaration as found in California Probate Code Section 16062 unless someone other than a Settlor is acting as a Trustee in which case accountings shall be provided at the request of any

current or remainder beneficiary.

C. A contestant shall be considered to have predeceased both Settlors without surviving issue. In this instrument, "contestant" means any person other than a Settlor who, directly or indirectly, voluntarily participates in any proceeding or action which seeks to void or set aside any provision of this trust or any provision of the Settlor's will. The term contest shall include, but not be limited to, the filing of a creditor's claim or prosecution of an action based upon it, an action or proceeding to determine the character, title or ownership of property held in the trust, to challenge the choice of law provision of the trust, or a challenge to the validity of an instrument, contract, agreement, or a beneficiary designation to which a Settlor was a party.

D. If any provision of this trust document is unenforceable, the remaining provisions shall

remain in full force and effect.

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JANET L. KINGSTON NOTARY PUBLIC STATE OF WASHINGTON COMMISSION EXPIRES JULY 15, 2014

This trust shall be known as the Bonnie S. Schaffer and Fred E. Schaffer REVOCABLE TRUST.			
Executed at Stevens (City	ω, WA (State)	on 10/12, 2010.	
Sonnie S. Schaffer (signate	effer.		
Jul E Schoff			
Fred E. Schaffer (signature)	() "	
State of Washington County of Skamania	$\overline{igcup_{ss.}}$		
On this day personally appeared before me Frank Bonnie Schaff(here insert the name)			
to me known to be the individual or individuals described in and who executed the within and			
foregoing instrument, and acknowledged that he/she/they signed the same as his/her/their free			
	d, for the uses and purposes official seal this $\frac{12^{47}}{2}$ day of $\frac{1}{2}$		
(SIGNATURE AND SEAL/	STAMP OF OFFICER)		