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NOTE:

Case No. 2020-000021 Record on Appeal - Part 5 of 9. Correction the ROA will be sent in 9 separate parts.

1 they were still found in contempt. Because the items -- if
2 it's their contention they're not the right items -- part of
3 the trust and they wouldn't form a basis for contempt under
4 this proceeding. For those reasons, Your Honor, we just
5 respectfully ask that you reconsider your order, or at least
6 trim it down and identify the specific issues for appeal.
7 And one last thing and I'll let Mr. McCoy address some
8 points as well, but depending on the timing of your order
9 and how this plays out there's a big payment coming up, and
10 also we believe we have a very good argument for the
11 criminal contempt just because it's close. I do understand
12 the Court's reasoning on that, but we would ask that until
13 we get this worked out that you would stay that payment, or
14 at least allow us to stay that while we appeal it.

15 THE COURT: And I'm glad you brought that up, I am
16 going to address that issue since the time is fairly near.
17 I know y'all have been working with y'all's schedules and
18 the Court has been working with its schedule to accommodate
19 this hearing. I know the request was made by you and
20 Mr. McCoy some months ago to have this hearing, about six,
21 seven, or eight weeks ago, and I'm aware of that and I'll
22 address that at the end once I hear from everybody.
23 Anything else on your behalf, Mr. McTier?

24 MR. MCTIER: That's it, Your Honor, thank you for your
25 time.

1 THE COURT: Before I come back to you, Mr. Truslow, you
2 can address -- because essentially it's the same motion, let
3 me hear from you, Mr. McCoy, and then I'll come to you and
4 then we'll talk about execution of the judgment and going
5 from there. Yes, sir?

6 MR. MCCOY: May it please the Court, Your Honor? The
7 last time I was before you related to these parties I was
8 not an attorney on this case, which I'll call the trust
9 case. Since then a potential conflict arose, I believe, and
10 so I now represent Chris and only Chris in this case. Your
11 Honor, as counsel for Chris and focusing on Chris, the only
12 aspect of this proceeding that relates to Chris is the Rolex
13 watch. And specifically, there was only one subpoena item
14 that related to Chris, and that said requested production
15 of, and I'm reading from your order, "The original Rolex
16 watch allegedly gifted to you by the deceased for
17 appraisal." So I think it's important to parse the language
18 of the request as we do with any contract or statute,
19 because the language is important. And in this case the
20 responsibility for the language and its discovery and
21 drafting the subpoena is on the party drafting it, which is
22 the trustee in this case. And so the language used, the
23 original Rolex watch, imports a couple of facts that were
24 known to the -- apparently known to the party requesting it,
25 and then had the right to be assumed by the party receiving

1 it, and that is because it says the original Rolex, that
2 indicates that there's more than one watch, and, in fact, we
3 know there was more than one watch, that's undisputed. And
4 it also indicates that they're only seeking one of the
5 multiple watches, and the one they're seeking, according to
6 the definition given, is the original Rolex. So the
7 recipient of the subpoena, Chris, probably in consultation
8 with counsel has decided, "What do I have to do in response
9 to this subpoena?" Well, you have to produce one watch, and
10 that one watch is the original Rolex. So what is the
11 original Rolex? The definition of original is first in
12 time. So Chris then, according to the subpoena that he was
13 provided, had to produce the Rolex that he got first in
14 time, and there was one, and that's the one that he
15 produced. There is no question, it is undisputed that that
16 Rolex watch was produced timely, not disputed. So the party
17 responsible for the language -- so then we find out later,
18 Judge, and I think it's found out -- well, we know it was
19 found out for sure when it's produced, which is about three
20 months later at the first hearing that you had on this
21 motion, the motion to compel, because it was produced that
22 day. So, again, out of an abundance of caution is what the
23 order says, a gold Rolex was produced. The first one, what
24 Chris deemed to be the original Rolex, was silver, and I
25 think we learned later, maybe at that hearing, that the

1 silver one is maybe not an authentic Rolex, but it says
2 Rolex, and the gold one is an authentic Rolex. So you need
3 to bear in mind, the language that was used requested the
4 original Rolex. I think all of the testimony -- or there
5 was no disputed testimony that that was the original Rolex,
6 the first in time that Chris had received, so he accurately
7 responded timely to the subpoena. There is some findings,
8 maybe a finding in the order that indicates some malfeasance
9 because Chris didn't say, or I guess maybe didn't raise the
10 question, "Oh, which one do you want? I've got more than
11 one here." But the question itself indicates they knew
12 there was more than one. It wouldn't have said the original
13 Rolex, it would have said the Rolex watch. If it would have
14 said the Rolex watch and Chris has more than one, then maybe
15 he had a duty to say "Oh, which one?" But they chose the
16 language and that's the language that you're parsing, and it
17 said the original Rolex. And again, the language. If they
18 wanted the gold Rolex they could have said the gold Rolex
19 and we wouldn't be here. We wouldn't have had any of these
20 attorney's fees incurred, it would have been the gold Rolex.
21 Okay. Now, there was a finding where you questioned, I
22 guess, whether or not he knew or should have known whether
23 it was a real or authentic Rolex, and I don't think you have
24 the information to make that decision, so we, of course,
25 would challenge that finding. But even if one was known to

1 be fake and another one real, they should have then asked
2 for the real Rolex. So really you've got to decide, the
3 party that did the language is the one that's responsible
4 for it. So even if he should have known there was a real
5 one and a fake one, he produced the original. They're both
6 Rolex watches, it says Rolex on it, that's in the findings
7 as well. So we just think in the heightened standard for
8 this -- so you held it's not criminal contempt partly based,
9 I think, on the report you got from the SLED investigation.
10 But in any event it's a heightened standard, it is clear and
11 convincing evidence as you hold, and you have to find it was
12 willfully disobeyed as you held, and you held that for Diane
13 on some of the things she was accused of. If you parse the
14 language to this and you hold the party responsible for it,
15 I respectfully suggest you couldn't make that finding that
16 this was contempt because they use the language, and that
17 language allowed the result that actually happened, the
18 original Rolex watch was produced and was produced timely.
19 And I will say, Your Honor, it seems to me that as a show of
20 good faith there were between the August 8th order -- oh,
21 let me add, Your Honor, the motion to compel order that was
22 your order of August 8th, that's what ultimately -- Chris
23 was held in contempt of, that order orders Chris, "It is
24 ordered that items sought for production in the subpoenas be
25 produced by August 15th." So it essentially didn't in any

1 way clarify or change the language used as the original
2 Rolex watch. So your order that he was held in contempt of
3 court just said comply with the subpoena, the subpoena says
4 the original Rolex watch, and we contend, of course, that he
5 complied with that. Even if, you know, even if the other
6 findings that we disagree with that he somehow knew or
7 should have known that it was a fake, even if that is a
8 valid finding, it doesn't change the fact that he still
9 complied with what the subpoena said, which is produce the
10 original Rolex watch and that's what he did. And anyway, I
11 was going to say I think it shows a sign of good faith. I
12 believe that between the August date and the hearing in
13 November of '17, so about three months later, there was
14 another petition, or there was some information produced
15 that indicated there was another Rolex watch that might have
16 been the subject of what they were requesting. So that
17 watch was brought to -- again, I'm reading from your order
18 because I wasn't there, you know, that watch was brought to
19 the November 2017 hearing. So again, it seems to me it
20 shows, okay, the gold watch may be in question, yeah, I've
21 got that one too, you know, out of an abundance of caution
22 he brought it. So my first argument would be under those
23 facts, and particularly, Your Honor, focusing on the
24 language used and the party that was responsible for that
25 language, I don't think there could be a contempt finding

1 under these facts, particularly in light of the heightened
2 standard of clear and convincing evidence, and the mental
3 state requirement that he willfully disobeyed it, just based
4 on that language that they chose to use in the subpoena that
5 finding could not be made. In any event, Your Honor, as you
6 say in the order elsewhere, the civil contempt is purged --
7 civil contempt is different than the criminal contempt -- is
8 purged when the order is complied with. So at the latest --
9 again, even if you still disagree about whether it was
10 contempt, at the latest the contempt was purged when the
11 gold watch was produced in November of 2017. And Your Honor
12 awarded attorney's fees for a period, based on the
13 affidavit, the attorney's fees ran from April of 2017 all of
14 the way to October of 2019. So again, even if a finding of
15 contempt you would agree that still stands, it certainly
16 would not merit or warrant attorney's fees after the time
17 the gold watch was produced, that's when the contempt was
18 purged. So we would certainly then argue again as a first
19 alternate that no fees should have been awarded after the
20 date the watch was produced in November of 2017.
21 Furthermore, Your Honor, we agree with the argument of
22 Mr. McTier that the trustee in this case, Ms. Ballard, while
23 is a respected attorney, she's acting in the capacity of an
24 attorney in this case, she is a trustee and therefore
25 awarded attorney's fees to her are not warranted.

1 THE COURT: Even if it's as my order states to make the
2 estate whole as a compensatory contempt vehicle? Because
3 that was the intent to award it to both, not only the
4 attorney for Ms. Ballard for contempt, but it was also the
5 intent of the Court to -- you know, because that's an
6 expense of the estate, and for the estate to be made back
7 whole and to be remedied that's why I ordered that, and I
8 thought that order made it clear. Do you have any further
9 argument on that?

10 MR. MCCOY: Well, perhaps, Your Honor. But I think I
11 will have to confess a little bit lack of facts on my part.
12 But I would argue that Ms. Ballard is entitled to whatever a
13 reasonable compensation that a trustee is entitled, but I
14 don't think -- in fact, we would disagree that that is an
15 attorney's fees, whether the rate should be same as attorney
16 fees. And I don't know that those fees that she seeks in
17 this case through her affidavit were actually paid by the
18 trust, I don't know. But I would argue that if Your Honor
19 is inclined to award her anything it would be reasonable
20 trustee fees, not reasonable attorney's fees.

21 THE COURT: Your position is protected in the record.

22 MR. MCCOY: Yes, sir, thank you. Another argument we
23 would have against the order is the joint and several
24 liability. In this case, Your Honor, it was pretty clear --
25 it's very clear -- it could be separated, it could be

1 distinguished, it was divisible. The only thing that Chris
2 was a part of this motion was because of the watch, so that
3 can be separated out, and I would say must be separated out
4 from any actions and later then fees related to George's
5 alleged conduct, and also separated out from Diane's fees,
6 and then later fees that are related to Diane's alleged
7 conduct. But as the order makes it joint and several, I
8 just think that's in error, because in this case certainly
9 the responsibility -- the alleged responsibility, the
10 alleged fault can be divided out, it's separate things, so I
11 think it must be separated out and identified individually
12 rather than joint and severally. And then finally, Your
13 Honor, on the attorney's fees, again I've made my argument,
14 I don't think any certainly can be awarded after the
15 contempt was purged when the watch is produced, that would
16 eliminate everything after the November of 2017 date. But
17 then even though the time prior to that that actually -- if
18 your finding of contempt remains and you're inclined to
19 award attorney's fees for that, you would need to separate
20 out, I mean, the attorneys would need to separate out the
21 time spent relating to the watch and Chris versus the time
22 spent relating to George and the items he was to produce,
23 and the items for Diane and the items she was supposed to
24 produce, which ultimately found wasn't contempt and
25 therefore that time would not be awardable at all. And I

1 just think it needs to be separated out that way, and I
2 contend -- I have their bill here -- that you can't do it,
3 it can't be done. And again, that's the burden of the
4 attorneys or the parties seeking the fees is the burden to
5 segregate it so that Your Honor can decide which ones could
6 be awarded, and when it's just not done they just don't get
7 it, it's not awardable. And, Your Honor, I will just join
8 in the arguments that were made in the brief and that Mr.
9 McTier made as they relate to my client.

10 THE COURT: All right, thank you. Anything else, Mr.
11 McTier, from you before I go to the other side?

12 MR. MCTIER: I'll wait on Mr. Truslow.

13 THE COURT: All right, thank you. And I'll give y'all
14 an opportunity to respond. Before I hear from the remaining
15 attorneys. Look, I can count -- I've been at this almost 15
16 years, it's hard to believe, and I can count on one hand the
17 number of times I've allowed oral argument on a motion to
18 alter or amend because I know how uneasy it is for the
19 lawyers, especially the ones asking for me to change my mind
20 or reconsider it, is to argue against what I did and why I
21 did wrong, I understand that, it's a lot easier on appeal to
22 do that. And so thank y'all for I guess towing the line so
23 to speak and getting right to the heart of the issues. So
24 anyway, let me hear the response of the non-moving party and
25 we will go from there.

1 MR. TRUSLOW: Your Honor, before I go into the body of
2 my argument I want to sincerely on behalf of all of the bar
3 thank you for your efforts on Judge Short's behalf and also
4 Mr. Santana, we all appreciate all you've done in this
5 magnificent effort. Your Honor, I'm reminded that this case
6 goes back to the time when George Bush was president, that's
7 how long this has been going on and it needs to come to an
8 end. The petitioner is incorrect in calling this a trust,
9 the issue before you related to the estate. The trust case
10 was tried before the federal court, the federal court
11 rendered its decision, the appeal went up, it was affirmed,
12 this is not part of the trust, this is part of the estate.
13 The estate case went back -- or a component of it went back
14 before the federal court, but the federal court has said
15 they weren't going to be micromanaging estate items relating
16 to things like guns and some coin collections and watches
17 and such, that would go back to Your Honor. It would
18 actually go back to the probate court. Now, why is this
19 important? Because in 2013 Ms. Ballard was selected as the
20 personal representative of the estate. She was required to
21 identify the asset, she did her investigation, they agreed
22 to pay her as personal representative a fee at a certain
23 rate. She was obligated to identify the assets, which she
24 did. She identified that the -- what we're dealing with
25 today really is watches and guns. They were required to

1 turn them over to Ms. Ballard but they refused to do it.
2 They first said they would do it, then they refused. They
3 indicated that she had them, not just one but they indicated
4 that they had them but they refused to honor their
5 obligation to turn them over to Ms. Ballard. They said they
6 kept them in a safe. Ms. Ballard repeatedly asked for them,
7 the response was they kept claiming that she was -- and I'm
8 glad to hear the attorneys be more complimentary of Ms.
9 Ballard and saying she is a respected attorney, which she
10 is, but she was acting as the personal representative, but
11 at the time they kept accusing her of unethical conduct and
12 it got worse and worse and worse, and Your Honor heard some
13 of that and issued an order and it was not favorable to the
14 other side. Ms. Ballard was trying to do her job. The case
15 ended up in federal court and then when this gets resolved
16 we go back to probate court, we ask them again to provide
17 the items, they won't do it. We had asked them again since
18 2013, "Hey, if you're not going to give them to us, which
19 you should do, or let us even see them, how about photograph
20 them? How about with guns they're all serialized, how about
21 that? If you've got a Rolex watch," which they say they
22 have, "show us that." Your Honor, they're fighting since
23 2013 about a fake Rolex watch? I mean, the light has got to
24 come on at some point in time that this is a substantive
25 important issue, there are a lot of legal fees that are

1 being incurred, a lot of fees that are going to be due the
2 estate and we're entitled to get to the end of it. They
3 wouldn't honor a subpoena and it's incongruous that they
4 would claim we couldn't identify things with more
5 specificity because they hold on to them but they're hiding
6 the ball so to speak. They won't show it to us. They won't
7 photograph it, they won't indicate a serial number so we can
8 follow through and follow the 4473's and find out about the
9 purchase, who bought it and when it was manufactured, what
10 kind guns they were and so on and so forth. When they
11 wouldn't -- I would say figuratively speaking having grown
12 up here in Fairfield County, we would say they wouldn't plow
13 a straight line, they wouldn't honor a subpoena we sought
14 relief from Your Honor. Your Honor would figuratively tell
15 them gently but forcefully what they're supposed to do,
16 comply with the rules, and what we got was we got from
17 George, George delivered a Saturday Night Special and a fake
18 Rolex. I'm not criticizing the attorneys at that point in
19 time, but I've heard what they had to say that they didn't
20 know, they were supposed to give the real things and they
21 only gave one gun, a cheap Saturday Night Special, but there
22 were two but they wouldn't identify them. At some point in
23 time the light has got to come on. You say in writing you
24 had the evidence, you say you've got two and you're to
25 produce one, what happened to the other? A watch? Oh,

1 there's -- because they got the communication because when
2 this thing was turned over to us -- and it was obviously a
3 fake Rolex. I remember Your Honor was able to heft it and
4 compare the two, we could see right away that it was a fake,
5 communicated that to counsel and what did we get?
6 Figuratively crickets, no response. I think we're -- I'm
7 not criticizing the attorneys, I'm guessing, or I'm
8 assuming, I think the presumption is is that George and/or
9 the son didn't tell them there was a second watch. Your
10 Honor, they had a long, long period of time from when this
11 fake Rolex and this one gun was produced and we complained
12 and we told them the specifics of what and why and how to at
13 least disclose what they had, turn it over to us. They knew
14 at that point in time that that was not the watch we were
15 looking for, and what they did was I remember, and it wasn't
16 Mr. McTier, but their attorney came in and said, "Oh, this
17 is a watch. Oh, you're not looking for a fake original
18 watch, you're looking for a real one?" Oh, well, here is a
19 watch." And, Your Honor, they were the ones that put in the
20 SLED report, which was not at all favorable to them. So,
21 Your Honor, you had George's deposition testimony that came
22 in, showed you the utter disregard for the legal process for
23 Your Honor's order. You got it right. You got it right for
24 all of the right reasons and your order should stand. I've
25 used some terms that the colloquial because I grew up here,

1 because there is not much education in the second kick of a
2 mule, and they still haven't learned today, the case goes on
3 and on and we need to get this case resolved. Your Honor,
4 regarding the fees, Your Honor got it right. I brought a
5 case if you need to see it, but you've already gotten it
6 right under Miller that these were compensatory, these
7 weren't necessarily in the nature of fees. I can pass up a
8 case if Your Honor needs with -- it won't hurt.

9 THE COURT: Sure, just hand that to my clerk.

10 MR. TRUSLOW: I just pulled a case, but the one that's
11 referred to is the Miller case.

12 THE COURT: Just give me the name of it. What is it?

13 MR. TRUSLOW: It's Miller versus Miller, at 652
14 Southeastern Second 754.

15 MR. MCTIER: Your Honor, I've already cited this case
16 but I will just give this up.

17 THE COURT: Yeah, hand that to me. All right. Go
18 ahead.

19 MR. TRUSLOW: I'm sorry, Judge. Your Honor, while
20 we're on the attorney's fees issue, there was a timely
21 objection to a submission, this is also -- this is being
22 raised at this time and not -- it's not timely to argue that
23 at this point. They missed the point, Your Honor was
24 correct on the award that was made to compensate. Again,
25 Your Honor, I wanted to reference several things that were

1 argued. I reemphasized, they keep saying this is a trust
2 case and they're just mistaken, this is in the estate. It's
3 not part of the trust, that case was resolved by the Fourth
4 Circuit Court of Appeals favorable to my client, this
5 related to the estate and they're just mistaken. Your
6 Honor, the argument that they -- that they didn't have any,
7 knowledge or know what we were looking for, Your Honor had
8 the record that showed that we had asked for this -- it was
9 listed on the inventory and it was supposed to be turned
10 over to Ms. Ballard but they didn't. The attorneys said
11 that they had secured it, and they said they would turn it
12 over and I think they said they had it but then they later
13 turned it over to their clients and they were all
14 representing the clients together.

15 MR. MCTIER: I just want a time frame here.

16 THE COURT: Go ahead. I'll let him finish and then
17 I'll come back to you.

18 MR. TRUSLOW: Now I think they realized that that may
19 have been a problem and Mr. McTier and Mr. McCoy
20 respectively are here and I congratulate them for that.
21 Again, they want to argue about subpoenas without more
22 specificity but they wouldn't provide the documentation to
23 give it more specificity. We did the best we could. They
24 had it, they knew it, even when they knew there was a
25 problem they wouldn't specify it. They had it months on

1 months on end until we appeared before Your Honor in
2 November of, I think, '17 to produce it and didn't do so.
3 It's also noteworthy that, Your Honor, in support of what
4 you did then the decision that you made and the conclusions
5 you drew that George did not testify. I would congratulate
6 the attorneys for being wise not to call him given some of
7 his conduct in the courtroom trying to hold up his hand,
8 coach witnesses about things, and you had an opportunity to
9 see all of that. So Your Honor, one thing where I think
10 that the -- that the moving party might arguably have a
11 point but we can take care of it today is they're arguing
12 that there might be an overlay of criminal versus civil
13 contempt. I have a proposed order that's almost identical
14 to what you had, but we made sure that the -- take away any
15 argument that they might have regarding civil versus
16 criminal contempt, and I'll pass that up to Your Honor. I
17 am looking at the -- it's really the last two paragraphs.
18 So Your Honor, it was a civil contempt. In essence you have
19 the experience that a lot of judges don't, Your Honor, as
20 having served on the family court bench, and I've heard Your
21 Honor say, I've heard many family court judges tell people
22 that they own the keys to the jailhouse and they make the
23 choices and there are consequences. Your Honor, regarding a
24 delay.
25 THE COURT: Yeah, talk to me about a stay.

1 MR. TRUSLOW: Your Honor, we're opposed to it, and the
2 reasons are, as I said before, this started with George
3 Bush. There has been at least since 2013, they haven't
4 turned these things over to us, they wouldn't turn it over
5 then, they wouldn't turn it over throughout the proceedings,
6 they wouldn't turn it over with the subpoena, they wouldn't
7 turn it over when they were ordered to do it. You have an
8 order -- even when there was a rule filed for contempt they
9 didn't turn it over. They didn't turn it over until --
10 under mysterious circumstances until they came to court.
11 They've known what's going to happen. Your Honor, I would
12 also note that when they wanted to have this hearing they
13 originally said they couldn't do it before January and I was
14 saying, "Come on, we've got to finish this case at some
15 point in time, we don't want to see it go on and on and on."
16 There has to be a time when things are over and Your Honor
17 has been very -- you have the federal court's order, Your
18 Honor has been very understanding, judicial, patient, but
19 there comes a time when matters need to be concluded and
20 kicking the can down the road isn't going to be helpful to a
21 resolution. I'm at the point, maybe it's in my career, my
22 age, I hope I was always like this, you can have lawyers
23 that want to keep on litigating, you can have people that
24 want to get on to resolution. My client and I want to get
25 to resolution and putting it off isn't going to serve the

1 ends of justice in our respective opinion, but, of course,
2 the decision is yours. But that's our take on things, it
3 needs to be over with.

4 THE COURT: Thank you, Mr. Truslow. Mr. Nosal,
5 anything you want to add?

6 MR. NOSAL: Your Honor, I do want to kind of piggyback
7 on what Mr. Truslow said. From what I can tell, I might be
8 wrong, but I think these are lawyers number eight and ten
9 for the Combis', and I'm lawyer number one for Mary and
10 Linda, and Mr. Truslow is lawyer number one for Ms. Ballard.
11 I was there because I filed the paperwork. I walked the
12 petition to open the estate into Judge Estridge's office,
13 hand delivered it to them. They fought us on the fact that
14 Pops was a resident of South Carolina when he died. We
15 reached an agreement in Judge Estridge's courtroom where Ms.
16 Ballard, a neutral PR, would serve. We called a couple of
17 PR's, they declined, Ms. Ballard kindly agreed to do it.
18 There is an agreement where George and Diane consent to Ms.
19 Ballard, she agrees to serve as long as they pay her her
20 customary rate to serve as the PR, and they also agreed to
21 cooperate in the administration of the estate, and that was
22 in 2012, I think. And here we are again and they just keep
23 hiring new lawyers. Their previous lawyers say, "Yes, I've
24 got the guns in the safe. Yes, we're going to cooperate,"
25 and then they fire them and then they hire new lawyers and

1 their lawyers come into court and argue that Ms. Ballard,
2 while serving as a PR should be paid trustee's fees where
3 their clients have signed agreements to pay her her hourly
4 rate to serve as the personal representative and to serve as
5 the trustee, and it's just -- it has to end at some point.
6 I congratulate them, I think they're getting paid and that's
7 good for them, but at some point you can't just keep hiring
8 new lawyers to push this case to the right and hope that
9 Ms. Ballard is going to give up and go away, or hope that
10 Mary and Linda are going to die or that I'm going to get
11 sick of it, because we're going to keep showing up no matter
12 who shows up on their side. It's ridiculous, it's
13 absolutely ridiculous and it needs to stop. This should not
14 be stayed, it needs to stop now so we can close this file.

15 THE COURT: Thank you. Mr. McTier?

16 MR. MCTIER: A few points, Your Honor. Punish George,
17 make the estate whole. I get it, I understand where you're
18 coming from. I was there that day George held up his hand,
19 he made me angry. I saw a man who is broken and has his
20 sisters trying to put him in jail, that is where we are,
21 that is George Combis right now. I just -- until I put
22 myself in his shoes for just a second I was angry as his
23 counsel, then I realized his sisters on that stand tried to
24 put him in jail for items that may or may not be in someone
25 else's possession. The only reason that we're south of the

1 Frugal Macdoogal line is that Pop was living with Linda when
2 he died. He was a North Carolina citizen. George, Diane
3 and Chris were North Carolina citizens. The only reason
4 we're here today is he was there when he died. There's
5 ample testimony that his mind began to slip in his later
6 years, things were just all over the place. I'm not sure
7 if, someone can correct me if I'm wrong, is there one single
8 item that we turned over that they contend is a part of the
9 estate? I don't know. Everything we turned over, "No,
10 that's not it, that's not it." How are we going to satisfy
11 a demand where if they're just going say, "No, that's not
12 it," over and over and over? It's a game we can't win, not
13 here anyway. We think we can win on appeal just based on
14 the record. If there's a specific finding as to this
15 estate, it doesn't matter the estate or the trust is part of
16 the will so it's going to go into the trust anyway. And
17 they obviously had evidence of things that we didn't see
18 until after the order and the petition came down, "Okay.
19 Here the is the specific items, we still don't have them."
20 And going to Mr. McCoy's client just for a quick second,
21 even the watch they say, "That's not the right watch." Is
22 there anything that we've turned over that actually applies?
23 We think it does. But if they're just going to say, "No,
24 no, no," we can't win, we cannot win on this level. And
25 if -- we're going to feel comfortable at this stage going up

1 on appeal. But the purpose is in your contempt order, and I
2 get it, but to vindicate the authority of the Court that's
3 criminal content, and so it bleeds over into the criminal
4 ground and that part was already dismissed, that coupling
5 the enormous award in the attorney fees, I've never seen one
6 that big before, along with a jail sentence joint and
7 several, it's just too much for this case. Your Honor, to
8 make the estate whole. Now, judgment collection is under
9 way in North Carolina, it's going strong that they have at
10 least a chance of getting some property, so I don't know
11 what they're going to decide in the future. But as far as
12 that, I remember you said something at the last hearing that
13 really stuck in my mind, "I'm not going to have a North
14 Carolina Judge tell me what to do," and I kind of think that
15 argument goes the other way, which is you won't be able to
16 tell a North Carolina Judge, "Hey, I'm going to help the
17 collection efforts here versus in North Carolina where it
18 belongs with North Carolina citizens." So punish George,
19 make the estate whole. If that's really what the Court
20 wanted to do that would fall under the criminal side and not
21 the civil contempt, it just bleeds over too much. And I
22 heard George Bush a few times, that goes into our camp, this
23 is an old, old case. The memories are old. There's no
24 way -- I couldn't be able to recall what happened. My
25 clients, their clients, it's just we produced stuff, no

1 that's not it. I'm sorry.

2 THE COURT: Where were you in 2008 or 2009, Mr. McTier?

3 MR. MCTIER: I was at Southeastern Louisiana playing
4 baseball.

5 THE COURT: Not even in law school yet.

6 MR. MCTIER: Yeah, a long time ago.

7 THE COURT: I understand.

8 MR. MCTIER: Your Honor, for those reasons because you
9 can't tie it to specific items -- maybe I'm wrong. Maybe
10 there's items that they contend, "Okay, yeah, that is a
11 proper item to get over," I just don't think there is any
12 that we have produced and we can't win.

13 THE COURT: Thank you, sir. All right, Mr. McCoy?

14 MR. MCCOY: Yes, Your Honor. First let me stand
15 corrected. I'm a relative baby to this case as you know,
16 and I believe Mr. Truslow indicated that I incorrectly said
17 trustee and he's right and I apologize for that when I said
18 she was acting as her own trustee, I should have said
19 personal representative, I get them a bit mixed up. So I
20 acknowledge that and hope Your Honor understands my relative
21 newness to this case. There was also the discussions about
22 the history of this case. I understand that there is a
23 history to the case, but the issue we're here for today does
24 not have such a history. The subpoena was issued on
25 March 16th of 2017, timely objections were filed on

1 March 30th, 2017, two weeks later. May 15th of 2017 they
2 filed a motion to compel. August 8th, 2017, Your Honor
3 entered the order of the motion to compel, the MTC order,
4 which required them to produce the items asked for in the
5 subpoena by August 15th. On August 14th my client produced
6 the silver Rolex watch, the original one. Two to three
7 months after that in November of 2017 the gold Rolex watch
8 was produced. That's a fairly small time frame we're
9 talking about. And I didn't have time, of course, to review
10 the order that they submitted asking Your Honor, the
11 proposed order granting the motion for reconsideration, but
12 I can tell you at the top of page two, which is about as far
13 as I got says, "Similar to the second gun appearing during
14 these proceeding, the gold Rolex, which was produced during
15 these proceedings more than two years after production was
16 ordered, is shrouded in secrecy." That's not accurate. It
17 was produced within three months, the gold one, so that's
18 just not accurate, and maybe there's a comment. The
19 footnote in the Court's order found the gold watch that was
20 produced after the contempt proceedings began was, in fact,
21 the gold Rolex that belongs to Pop and Chris' possession at
22 the time the subpoena was served on them. Your Honor, I ask
23 you to separate out, of course, the watch, that's all that
24 Chris is involved in. He produced a watch. It sounds like
25 maybe they intended for their subpoena to say the authentic

1 Rolex watch, it didn't say that, it says the original Rolex
2 watch. So again it comes down to the language of the
3 proceeding, and there was a lot of conflating, I believe, of
4 the time periods involved and the items produced. Just
5 focusing on the watch, the original Rolex watch was produced
6 timely undisputed. The gold Rolex watch, which wasn't asked
7 for, certainly wasn't clearly asked for, wasn't properly
8 identified, was produced within three months. So there are
9 vast timeframes in this case I'm sure that I don't truly
10 appreciate, but the one we're here on and with respect to
11 the watch, it's a very narrow timeframe. And, again, Your
12 Honor, I would ask that you separate out the watch and just
13 focus on that. And one thing I want to add, and I think
14 Your Honor has commented on this, that there are serious
15 deadlines coming up and we would ask to the extent possible,
16 and I hope I'm not overstepping, that if we could have a
17 ruling prior to that time, of course, that would be very
18 helpful.

19 THE COURT: Sure. All right. Anything briefly? Very
20 briefly.

21 MR. TRUSLOW: Yes, sir. I'm not going to reargue, the
22 record is clear why there was a delay on multiple levels.
23 But what I did want to talk about was this, is the argument
24 that was made and it goes to the jurisdiction, they wanted
25 to suggest that Pop was not a resident of South Carolina.

1 Your Honor, in the record is the homestead exemption that
2 reflects that Pop was a resident of South Carolina. Number
3 one, this is where his home was, it was in Lancaster County.
4 Ultimately they fought and fought and fought back from when
5 Mr. Nosal was -- they litigated the case in North Carolina
6 where they ended up getting sanctioned there by the federal
7 court for delaying tactics. But when the case got back to
8 South Carolina they agreed that South Carolina was the
9 proper jurisdiction. They agreed to probate the matter in
10 Lancaster County. There was -- again, there was a homestead
11 exemption, this is where his home was and the argument that
12 would be made now that perhaps this Court doesn't have
13 jurisdiction --

14 MR. MCTIER: That's not the argument I made.

15 THE COURT: He's not -- he just mentioned that.

16 MR. TRUSLOW: If it were argued it ought to be just
17 dismissed out of hand, we're in the proper place for all of
18 the right reasons.

19 THE COURT: All right. Y'all let me speak for just a
20 moment and then we'll close the record on this and we will
21 go from there. All right, you know, let me start off by
22 saying, you know, like I mentioned about 15 minutes ago,
23 it's very rare for me to allow oral argument for motions to
24 alter or amend, or what lawyers call motions to reconsider.
25 There's really no such thing as a motion to reconsider, it's

1 called a motion to alter or amend under 59E, but everybody
2 calls it a motion to reconsider, and the reason being is
3 because usually I have all of information there and I've
4 thought about it and pondered about it. You know, this case
5 is very unique in that both parties submitted detailed, very
6 detailed proposed orders and I took a fair amount of time
7 going through each of those orders and inserting language,
8 adding some of my own language, and basically combining the
9 two y'all sent and me reaching my decision, and so that's
10 why I allowed the oral argument to go forward just to create
11 a good record. These are sophisticated parties on both
12 sides, okay? They have lived with this case like y'all like
13 to say since President Bush was in the White House, and so
14 being that there are sophisticated parties there's been many
15 judges examining in the record in this case. You know,
16 that's why I allowed the original argument because I think
17 there needs to be a clear record on everything and what the
18 intent of the Court was. I don't think anybody, at least I
19 hope not anybody because that wasn't my intent, can argue
20 that there is not a complete record for what I did and why I
21 did it. I mean, we've had numerous hearings on these issues
22 and I've allowed in stuff, I've allowed arguments on
23 objections. This is a perfect example of why we have
24 appellate courts, you know, why appellate courts sit in
25 three judge panels and so three judge can get together and

1 determine whether I made error or not. You know, I think I
2 got it right mostly. You know, some of the things that were
3 brought up this morning have made me pause and I am going to
4 take an opportunity to look through everything, all of my
5 notes again and read the stuff y'all handed up, and then
6 decide whether or not I am going to reconsider, alter or
7 amend anything previously in the order, but that's why we
8 have the appellate process. And, you know, being that this
9 case -- I understand your argument, Mr. Truslow and Mr.
10 Nosal, that there has to be finality, there has to be an
11 end, but I don't see how granting a stay would not be fair
12 to the other side here. I understand they may have lost in
13 the U.S. Court of Appeals, they may have lost in district
14 court, it appears they may have lost in this court, but, you
15 know, my ego ain't that big. I understand I make mistakes
16 sometimes, and that's why we have appellate courts, okay?
17 If I did something wrong here, as they think I did, they
18 have a right to have that reviewed. And, you know, this
19 is -- you know, contempt of court I don't take it lightly,
20 it's a very drastic remedy. Thank you for bringing up my
21 prior service as a family court judge, I dealt with that
22 almost on a daily basis, and yes, I put people in jail for
23 failing to pay child support, it was civil contempt. They
24 were able to purge their contempt by paying a certain amount
25 of money to release themselves from custody. That's a

1 drastic remedy. This is a civil case. While I had the
2 opportunity to create that good record for appellate
3 purposes, that was the whole purpose of me, and I think I
4 said this at the last hearing, pausing or taking a recess on
5 this case back from the fall of '17. I was hearing things
6 that concerned the Court as to the rights, the due process
7 rights of Mr. Combis and Mrs. Combis and Chris Combis,
8 that's why I paused. I was hearing details about alleged
9 breach of trust. I was hearing safe cracking details, which
10 is a felony in South Carolina which is punishable, I
11 believe, up to life in prison, or maybe 30 years. It was
12 serious allegations made so that's why I paused everything
13 and said, hold on, we're going to have SLED investigate this
14 and make sure there's no criminal activity going on. And
15 ultimately, of course, SLED did investigate this at my
16 request and found what they found. Of course, that's just
17 one of the pieces of this big puzzle that I tried to piece
18 together to come up with what I believe at the time that I
19 issued the order was an appropriate remedy. You are
20 correct, Mr. McTier, I didn't the evidence submitted, of
21 course, Mr. Truslow and Ms. Ballard and Mr. Nosal probably
22 don't agree with me on that, and that's fine, I didn't think
23 the evidence was submitted to prove criminal contempt
24 against your client, and Mr. McCoy, your client. But, you
25 know, at the time, and of course the order speaks for

1 itself, I did find that there were -- they were in civil
2 contempt. Anyway, here is what I'm going to do. Obviously
3 y'all have given me a lot to ponder on, let me cut to the
4 chase, I'm going to take this under advisement. Y'all have
5 been in front of me enough to know that I don't like to sit
6 on things for a long time, okay, because I agree, this
7 process needs to go forward. I certainly am
8 contemplating -- I knew when I issued the order there was
9 going to be an appeal, that's why I tried to make as good a
10 record as possible. So I'm going to say right now for
11 whatever it is, I'm not totally familiar with the appellate
12 court rules, whatever I do, and it may be January before I
13 decide this because we do have the holidays coming up and
14 y'all have all kinds of other things going on as well as I
15 do, obviously my decision stays implementation of the
16 effects of my order for them to pay by December 31st. I
17 will not have a ruling by then, I can assure you of that, or
18 if they don't pay by then to turn themselves in by
19 January 5th, we're probably going to be past that as well.
20 If I don't reconsider, alter or amend my order I have no
21 problem, and I will, you know, just staying the
22 implementation of that order pending appellate review. I
23 think that's fair considering the entire record of this
24 case. Again, I go back to these are sophisticated parties,
25 they have been there, done that. I am balancing the history

1 of this case, Mr. Truslow and Mr. Nosal, I understand y'all
2 want finality on it. But, you know, hey, they've gone this
3 far already, what's another couple of months, six months
4 going to be? So that's kind of the way I'm looking at it.
5 Because, you know, them possibly being subjected to being
6 incarcerated for, I forget the amount I ordered, 90 days,
7 six months, whatever it is, that's a big deal. And so
8 understanding that that is such a drastic remedy, the
9 lawyers, all of y'all have made excellent points, I have no
10 problem with an appellate review of what I did, and if I got
11 it wrong it will be a corrected, if I got it right they will
12 have additional time to do what they have got to do and
13 we'll see what happens, okay? So that's the order of the
14 Court at this point it time, I am going to take under
15 advisement and we will go from there and I'll be in touch
16 once I've made a decision.

17 MR. TRUSLOW: Your Honor, there is now another action
18 and we're attempting to serve George Combis when we filed,
19 there is a motion to allow us to serve attorneys. It
20 appears that he is ducking service once again and we're
21 having a very difficult time getting service. We filed a
22 request to be allowed to serve his attorney, it seems like
23 this is a convenient time to deal with it.

24 THE COURT: I can dispense with this in 30 seconds.
25 Mr. McTier, has your client authorized you to accept service

1 on his behalf?

2 MR. MCTIER: They're suing me personally so I can't
3 represent him. I'm more worried about ex parte
4 communications here, I don't think anybody here represents
5 George now.

6 MR. TRUSLOW: This is Desa Ballard versions Diane,
7 Chris and George.

8 THE COURT: Well, Mr. McTier does not appear able to
9 argue that today and I'm not going to deal with that, okay?
10 Okay. Thank you.

11 MR. MCCOY: For clarification, I mean, my client is
12 going to want to know what happened here today, do I
13 understand that Your Honor has decided to stay the
14 deadlines?

15 THE COURT: Yeah.

16 MR. MCTIER: Will you issue a form four or something to
17 that effect?

18 THE COURT: What's going to happen -- not to that, the
19 record is clear because I'm not making any decision today
20 other than to take it under advisement. While it's under
21 advisement by operation of law anyway and process, you know,
22 the order is stayed while it's under advisement. I'm simply
23 telling you, once I make my decision, and let's say I deny
24 y'all's motion, I'm not going to make them pay right then
25 and there, I will grant a stay then to the extent that I

1 still have jurisdiction. That's what I'm unclear about,
2 that's what I was trying to say, because once an appeal is
3 filed I think the appellate court looks at it. I know Ms.
4 Ballard knows, she's up there all the time, I'll let y'all
5 deal with that, my intent would be to stay the
6 implementation of my order until the appellate court tells
7 me what to do.

8 MR. MCCOY: Or until your further ruling on this.

9 THE COURT: Correct.

10 MR. MCCOY: Thank you.

11 (End of the hearing.)

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FILE COPY

**REVOCABLE TRUST AGREEMENT
OF
CHRIS COMBIS**

**CULP ELLIOTT & CARPENTER, P.L.L.C.
227 West Trade Street, Suite 1500
Charlotte, North Carolina 28202
(704) 372-6322**

ROA 0803



STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

REVOCABLE TRUST AGREEMENT OF
CHRIS COMBIS

This Agreement is made this 11th day of March, 2003, between CHRIS COMBIS, hereinafter referred to as the "Settlor" and CHRIS COMBIS, hereinafter referred to as the "Trustee."

ARTICLE I

Trustee Succession if Settlor Dies, Resigns or Becomes Incapacitated. If the Settlor dies, resigns or is adjudicated to be incompetent or in the event that the Settlor is not adjudicated incompetent, but by reason of illness or mental or physical disability is, in the opinion of two licensed physicians, unable to handle properly the Settlor's own affairs, then and in that event the Trustee named below shall immediately become the Trustee under this Trust Agreement. The Settlor names the following as successor Trustee:

GEORGE C. COMBIS

Third parties may rely on an affidavit by the Trustee named above stating that the successor Trustee is now acting as Trustee hereunder. The successor Trustee(s) nominated herein shall not be required to post bond or other security.

ARTICLE II

Description of Property Transferred. The Settlor has paid over, assigned, granted, conveyed, transferred and delivered, and by this Agreement does hereby pay over, assign, grant, convey, transfer and deliver unto the Trustee the property described in Schedule A. This property and any other property that may be delivered to the Trustee hereunder or under which the Trustee may be designated as beneficiary, and any other property that may be received or which has been received by the Trustee hereunder, as invested and reinvested (hereinafter referred to as the "Trust Estate"), shall be held, administered and distributed by the Trustee as hereinafter set forth.

ARTICLE III

Rights of Settlor and Trustee in Insurance Policies. During the Settlor's lifetime, the Settlor shall have all rights under any life insurance policies held by the Trustee, including the right to change the beneficiary, to receive any dividends or

other earnings of such policies without accountability therefor to the Trustee or any beneficiary hereunder, and may assign any policies to any lender, including the Trustee, as security for any loan to the Settlor or any other person; and the Trustee shall have no responsibility with respect to any policies, for the payment of premiums or otherwise, except to hold any policies received by the Trustee in safekeeping and to deliver them upon the Settlor's written request and upon the payment to the Trustee of reasonable compensation for services. The rights of any assignee of any policy shall be superior to the rights of the Trustee. If any policy is surrendered or if the beneficiary of any policy is changed, this trust shall be revoked with respect to such policy. However, no revocation of the trust with respect to any policy, whether pursuant to the provisions of the preceding sentence or otherwise, shall be effective unless the surrender or change in beneficiary of the policy is accepted by the insurance company. Upon the death of the insured under any policy held by or known to, and payable to, the Trustee, or upon the occurrence of some event prior to the death of the Settlor that matures any such policy, the Trustee, in its discretion, either may collect the net proceeds and hold them as part of the principal of the Trust Estate, or may exercise any optional method of settlement available to it, and the Trustee shall deliver any policies on the Settlor's life held by it and payable to any other beneficiaries as those beneficiaries may direct. Payment to, and the receipt of, the Trustee shall be a full discharge of the liability of any insurance company, which need not take notice of this agreement or see to the application of any payment. The Trustee need not engage in litigation to enforce payment of any policy without indemnification satisfactory to it for any resulting expenses.

ARTICLE IV

Provisions for Settlor and Settlor's Children During Settlor's Lifetime. The Trustee shall hold, manage, invest and reinvest the Trust Estate (if any requires such management and investment) and shall collect the income, if any, therefrom and shall dispose of the net income and principal as follows:

(1) During the lifetime of the Settlor, the Trustee may pay to or apply for the benefit of the Settlor some, none or all of the net income from this Trust. Any income not distributed shall be accumulated and added to principal at least annually.

✱ (2) During the lifetime of the Settlor, the Trustee may pay to or apply for the benefit of the Settlor some, none or all of the principal of this Trust.

(3) During the lifetime of the Settlor, if the Settlor is serving as Trustee hereunder, the Trustee may make distributions of some, none or all of the income and principal of this Trust to any person or entity as the Trustee in its discretion shall determine.

(4) In the event that the Settlor is adjudicated to be incompetent or in the event that the Settlor is not adjudicated incompetent, but by reason of illness or mental or physical disability is, in the opinion of two licensed physicians, unable to properly handle the Settlor's own affairs, then and in that event the Trustee may during the Settlor's lifetime, in addition to the payments of income and principal for the benefit of the Settlor:

(a) pay to or apply for the benefit of any one or more of the Settlor's children such sums from the net income and from the principal of this Trust as in its sole discretion shall be necessary or advisable from time to time for the health, education, support and maintenance in the accustomed manner of living of the Settlor's children, taking into consideration to the extent the Trustee deems advisable, any other income or resources of the Settlor's children taking into consideration to the extent the Trustee deems advisable, any other income or resources of the Settlor's children known to the Trustee; and

(b) pay to or apply for the benefit of the Settlor's children, grandchildren and/or more remote issue, or to trusts for the benefit of such children, grandchildren and/or more remote issue such sums from the net income and from the principal of this Trust as the Trustee in its discretion shall select for the purpose of making gifts; provided, however, that the aggregate amount of gifts made in any one calendar year that the Trustee may make to himself or herself or to satisfy a legal obligation of himself or herself shall not exceed, at the time of the gift, the amount that may be excluded from gift tax by the federal gift tax annual exclusion (unless the Settlor's spouse, if any, has agreed to consent to "gift splitting" under Section 2513 of the Internal Revenue Code in which case such gifts shall not exceed the amount that may be excluded from the federal gift tax by the federal gift tax annual exclusions available to the Settlor and the Settlor's spouse) and this annual right shall be noncumulative and shall lapse at the end of each calendar year.

(5) During the lifetime of the Settlor, the Trustee may pay to any attorney-in-fact of the Settlor serving under a validly executed and effective power of attorney such sums from the income and/or principal of this Trust as is requested by such attorney-in-fact of the Settlor for the purpose of making gifts pursuant to such power of attorney.

ARTICLE V

Settlor's Rights to Amend, Change or Revoke the Trust Agreement. The Settlor may, by signed instruments delivered to the Trustee during the Settlor's life: (1) withdraw property from this Trust in any amount and at any time upon giving reasonable notice in writing to the Trustee; (2) add other property to the Trust; (3)

change the beneficiaries, their respective shares and the plan of distribution; (4) amend this Trust Agreement in any other respect; (5) revoke this Trust in its entirety or any provision therein; provided, however, the duties or responsibilities of the Trustee shall not be enlarged without the Trustee's consent nor without satisfactory adjustment of the Trustee's compensation.

ARTICLE VI

Discretionary Provisions for Trustee to Deal with Settlor's Estate and Make Payment of Debts and Taxes. After the Settlor's death, the Trustee, if in its discretion it deems it advisable, may pay all or any part of the Settlor's funeral expenses, legally enforceable claims against the Settlor or the Settlor's estate, reasonable expenses of administration of the Settlor's estate, any allowances by court order to those dependent upon the Settlor, any estate, inheritance, succession, death or similar taxes payable by reason of the Settlor's death, together with any interest thereon or other additions thereto, without reimbursement from the Settlor's executors or administrators, from any beneficiary of insurance upon the Settlor's life, or from any other person. Any such payments of estate, inheritance, succession, death or similar taxes (except generation-skipping transfer taxes) shall be charged against the principal of the remaining Trust Estate distributed under Article VIII and any interest so paid shall be charged against the income thereof. If such share or trust was created as a fraction, then such taxes thus paid shall reduce the numerator of that share or trust and the Trust Estate, thus likewise reducing the denominator of the fraction. The Trustee may make such payments directly or may pay over the amounts thereof to the executors or administrators of the Settlor's estate. Written statements by the executors or administrators of such sums due and payable by the estate shall be sufficient evidence of their amount and propriety for the protection of the Trustee and the Trustee shall be under no duty to see to the application of any such payments. The Trustee shall pay over to the executors or administrators of the Settlor's estate all obligations of the United States Government held hereunder which may be redeemed at par in payment of federal estate taxes.

ARTICLE VII

Specific Distributions. Upon the death of the Settlor, the Trustee shall make the following distributions:

(1) Cash Distribution. The sum of Twenty-five Thousand Dollars and No Cents (\$25,000.00) shall be distributed to LINDA COMBIS SWADER, if she shall survive the Settlor. The amount of this cash distribution shall reduce the share created for LINDA COMBIS SWADER under Article VIII.

(2) Cash Distribution. The sum of Twenty-five Thousand Dollars and No Cents (\$25,000.00) shall be distributed to MARY COMBIS, if she shall survive the Settlor. The amount of this cash distribution shall reduce the share created for MARY COMBIS under Article VIII.

(3) Cash Distribution. The sum of Twenty Thousand Dollars and No Cents (\$20,000.00) shall be distributed to HELEN KOKLAS, if she shall survive the Settlor. The Trustee shall make \$5,000.00 quarterly distributions (without interest) of this amount to HELEN KOKLAS beginning one month after the Settlor's death. If HELEN KOKLAS shall die before all quarterly distributions are made, the undistributed amount shall be distributed as provided in Article VIII.

(4) Cash Distribution. The sum of Five Thousand Dollars and No Cents (\$5,000.00) shall be distributed to JULIE QUILL, if she shall survive the Settlor.

(5) Specific Distribution of Tangible Personal Property. The Settlor's Rolex watch shall be conveyed to CHRIS A. COMBIS, if he shall survive the Settlor.

(6) Specific Distribution of Sales Proceeds. The Trustee shall sell any vehicle(s) owned by the Settlor at death and distribute the net sales proceeds in equal shares to the Settlor's great grandchildren, on the condition that the funds be used for educational expenses. The Trustee may satisfy its obligation under this paragraph by distributing such funds outright to the Settlor's great grandchildren if they are over the age of 18 or to a custodial account for the benefit of such great grandchildren if they are under the age of 18.

(7) Specific Distribution of Stock. All shares of stock of SUPERIOR TILE, MARBLE & TERRAZZO, INC. or of any successor or resulting corporation of such corporation which is a part of the Settlor's Trust Estate shall be distributed to GEORGE C. COMBIS, if he shall survive the Settlor.

(8) Specific Distribution of Personal Property. The Trustee's interest in any tangible personal property (unless such property has been disposed of pursuant to a foregoing provision of this Article) and any cash or currency held in the fire safe located at the residence of GEORGE and DIANE COMBIS shall be conveyed to DIANE COMBIS, if she shall survive the Settlor. If she shall not survive the Settlor all such property shall be distributed to GEORGE C. COMBIS, if he shall survive the Settlor.

(9) General Distribution of Personal and Household Effects With a Precatory Memorandum. All the Settlor's remaining personal and household effects of every kind including but not limited to furniture, appliances, furnishings, pictures, silverware, china, glass, books, jewelry, wearing apparel, boats, automobiles, and other vehicles, and all policies of fire, burglary, property damage, and other

insurance on or in connection with the use of this property, shall be distributed to the Settlor's children surviving the Settlor, in approximately equal shares; provided, however, the issue of a deceased child surviving the Settlor shall take per stirpes the share their parent would have taken had he or she survived the Settlor. If the Settlor's issue do not agree to the division of the property among themselves, the Trustee shall make such division among them, the decision of the Trustee to be in all respects binding upon the Settlor's issue. The Settlor requests that the Trustee and the Settlor's issue abide by any memorandum by the Settlor directing the disposition of this property or any part thereof. This request is precatory and not mandatory. If any beneficiary hereunder is a minor, the Trustee may distribute such minor's share to such minor or for such minor's use to any person with whom such minor is residing or who has the care or control of such minor without further responsibility and the receipt of the person to whom it is distributed shall be a complete discharge of the Trustee. The cost of packing and shipping such property shall be charged as an expense of administration.

(10) Definition of Trust Estate. As used in this Trust Agreement, the words "Trust Estate" shall mean the entire Trust Estate minus the specific distributions under this Article.

ARTICLE VIII

Trusts for Children. The remaining Trust Estate shall be administered as provided in this Article:

(1) Division into Shares for Several Named Beneficiaries. Upon the Settlor's death, the Trustee shall divide the Trust Estate as then constituted into equal separate shares so as to provide One (1) share for each of the following who shall survive the Settlor: MARY COMBIS, LINDA COMBIS SWADER, and GEORGE C. COMBIS, (hereafter called singularly "named beneficiary" and collectively "named beneficiaries") and One (1) share for each deceased named beneficiary who shall leave issue surviving the Settlor. If the Settlor's daughter, MARY COMBIS, shall survive the Settlor, her equal share shall be funded to the largest extent possible with the Trustee's interest in the real property located at 718 Lochridge Road, Charlotte, North Carolina. If the Settlor's daughter, LINDA COMBIS SWADER, shall survive the Settlor, her equal share shall be funded to the largest extent possible with the Trustee's interest in the real property located at 1432 River Oaks Court, York County, South Carolina. It is the Settlor's intent that each share created hereunder shall be funded with assets of equal value; provided however, that: (i) the share (if any) created for MARY COMBIS shall be reduced by the amount of the cash distribution to her under paragraph (2) of Article VII, (ii) the share (if any) created for LINDA COMBIS SWADER shall be reduced by the amount of the cash distribution to her under paragraph (1) of Article VII; and (iii) the share created for GEORGE C. COMBIS shall be increased by an amount equal to one-half

(1/2) of the death benefit paid under the life insurance policy issued on the life of the Settlor (Policy # 9200538770 issued by Pan-American Assurance Company, a Stock Life Company, New Orleans, Louisiana) and held by the Chris Combis Irrevocable Trust dated May 23, 1994. Each share shall be distributed or retained in trust as hereinafter provided.

(2) Discretionary Income and/or Principal for Named Beneficiary and Named Beneficiary's Issue. Prior to final distribution hereunder, the Trustee in its discretion may distribute some, none or all of the income and principal of the named beneficiary's share to or for the benefit of any one or more of a group consisting of the named beneficiary and the named beneficiary's issue (if any) in such amounts and at such times as the Trustee in its discretion determines for the health, education, support and maintenance in the accustomed manner of living of the named beneficiary and/or the named beneficiary's issue (if any), taking into consideration to the extent the Trustee deems advisable, any other income or resources of the named beneficiary and/or the named beneficiary's issue (if any), known to the Trustee. Any income not distributed shall be accumulated and added to principal annually. Notwithstanding the foregoing, during the named beneficiary's lifetime the named beneficiary shall be the primary beneficiary of the named beneficiary's share and such named beneficiary's health, education, support and maintenance in the accustomed manner of living shall be regarded as primary and the interests of concurrent, succeeding or remainder beneficiaries shall be regarded as secondary. Additionally, the Trustee shall make no distribution of income or principal to the named beneficiary's issue (if any) without first consulting with the named beneficiary (as the parent or grandparent of such issue) as to the propriety or appropriateness of such distribution; provided, however, the named beneficiary shall have no power to prevent the Trustee from making a discretionary distribution to another beneficiary.

(3) General Power of Appointment in Named Beneficiary. Default to Named Beneficiary's Issue. After division into shares for named beneficiaries, upon the death of a named beneficiary prior to complete distribution of his or her share, the undistributed balance of the named beneficiary's share shall be paid over, conveyed and distributed to or in trust for such appointee or appointees from among the named beneficiary's issue (if any) and the creditors of the estate of the named beneficiary in such manner and in such proportions as the named beneficiary may appoint in and by the Last Will of the named beneficiary, making specific reference to the power of appointment herein conferred. In disposing of this share, the Trustee shall be protected in relying upon an instrument admitted to probate in any jurisdiction as the Last Will of the named beneficiary or in acting upon the assumption that the named beneficiary died intestate in case the Trustee has no notice of the existence of a Will of the named beneficiary within Six (6) months after the death of the named beneficiary. In default of the exercise of this power of appointment by the named beneficiary, or insofar as any part of this share

shall not be effectively appointed, then upon the death of the named beneficiary the undistributed balance of the named beneficiary's share, or the part of the share not effectively appointed shall be distributed per stirpes to the named beneficiary's then living issue or in default of issue, per stirpes to the other named beneficiaries.

(4) Distribution of a Deceased Named Beneficiary's Share. Each share set aside, upon division into shares for the named beneficiaries, for a deceased named beneficiary who shall leave issue then living, shall be distributed per stirpes to such issue.

(5) Final Distribution if Named Beneficiaries Deceased. If at the time of the Settlor's death, or at any later time prior to final distribution hereunder, all of the named beneficiaries and their issue are deceased and no other disposition of the property is directed by this Trust, then and in that event the then remaining property of this Trust shall be distributed to the person or persons who would have been entitled to the same under the laws providing for the distribution of property in case of intestacy had the Settlor died intestate at that time, was the owner of such property, was unmarried and domiciled in North Carolina.

ARTICLE IX

(1) Definition of "Trustee". Whenever the word "Trustee" or any modifying or substituted pronoun therefor is used in this Trust, such words and respective pronouns shall include both the singular and the plural, the masculine, feminine and neuter gender thereof, and shall apply equally to the Trustee named herein and to any successor or substitute Trustee acting hereunder, and such successor or substitute Trustee shall have all the rights, powers and duties, authority and responsibility conferred upon the Trustee originally named herein.

(2) Definition of "Independent Trustee". Independent Trustee shall mean an individual Trustee who is not a beneficiary of any trust created hereunder, who is unrelated (by blood or marriage) within two degrees of kinship to the Settlor or any beneficiary of a trust created hereunder and who is not "related or subordinate" as such terms are defined in Section 672(c) of the Code. Independent Trustee shall also mean a bank or trust company qualified to do business in the jurisdiction of the situs of the trust so long as a beneficiary or relative as specified above owns no more than One Percent (1%) of such entity. A person or entity shall not qualify to be an Independent Trustee if such person or entity has previously been removed as Independent Trustee.

(3) "Definition of Family Trustee". Family Trustee shall mean a Trustee who is a beneficiary of any trust created hereunder and any person related to a beneficiary or the Settlor by blood or marriage within two degrees of kinship.

ARTICLE X

Powers for Trustee. The Trustee is authorized in its fiduciary discretion (which shall be subject to the standard of reasonableness and good faith to all beneficiaries) with respect to any property at any time held under any provision of this Trust Agreement and without authorization by any court and in addition to any other rights, powers, authority and privileges granted by any other provision of this Trust Agreement or by statute or general rules of law:

- (1) Subject to North Carolina General Statutes Section 32-26, the Trustee shall have the power to exercise all the powers set forth in North Carolina General Statutes Section 32-27, except those in Section 32-27(29), as such powers exist at the time that the Settlor signs this Trust instrument, and such powers are incorporated by reference with the same effect as though set forth verbatim herein.
- (2) To retain in the form received any property or undivided interests in property donated to, or otherwise acquired as a part of the Trust Estate, including residential property and shares of the Trustee's own stock, regardless of any lack of diversification, risk or nonproductivity, as long as it deems advisable, and to exchange any such security or property for other securities or properties and to retain such items received in exchange, although said property represents a large percentage of the total property of the Trust Estate or even the entirety thereof.
- (3) To invest and reinvest all or any part of the Trust Estate in any property and undivided interests in property, wherever located, including bonds, debentures, notes, secured or unsecured, stocks of corporations regardless of class, interests in limited partnerships, real estate or any interest in real estate whether or not productive at the time of investment, interests in trusts, investment trusts, whether of the open and/or closed fund types, and participation in common, collective or pooled trust funds of the Trustee, insurance contracts on the life of any beneficiary or annuity contracts for any beneficiary, without being limited by any statute or rule of law concerning investments by fiduciaries.
- (4) To sell or dispose of or grant options to purchase any property, real or personal, constituting a part of the Trust Estate, for cash or upon credit, to exchange any property of the Trust Estate for other property, at such times and upon such terms and conditions as it may deem best, and no person dealing with it shall be bound to see to the application of any monies paid.
- (5) To hold any securities or other property in its own name as Trustee, in its own name, in the name of a nominee (with or without disclosure of any fiduciary relationship) or in bearer form.

(6) To keep, at any time and from time to time, all or any portion of the Trust Estate in cash and uninvested for such period or periods of time as it may deem advisable, without liability for any loss in income by reason thereof.

(7) To sell or exercise stock subscription or conversion rights.

(8) To refrain from voting or to vote shares of stock which are a part of the Trust Estate at shareholders' meetings in person or by special, limited, or general proxy and in general to exercise all the rights, powers and privileges of an owner in respect to any securities constituting a part of the Trust Estate.

(9) To participate in any plan of reorganization or consolidation or merger involving any company or companies whose stock or other securities shall be part of the Trust Estate, and to deposit such stock or other securities under any plan of reorganization or with any protective committee and to delegate to such committee discretionary power with relation thereto, to pay a proportionate part of the expenses of such committee and any assessments levied under any such plan, to accept and retain new securities received by the Trustee pursuant to any such plan, to exercise all conversion, subscription, voting and other rights, of whatsoever nature pertaining to such property, and to pay any amount or amounts of money as it may deem advisable in connection therewith.

(10) To enter for any purpose into a lease as lessor or lessee with or without option to purchase or renew for a term within or extending beyond the term of the trust.

(11) To borrow money and to encumber, mortgage or pledge any asset of the Trust Estate for a term within or extending beyond the term of the trust, in connection with the exercise of any power vested in the Trustee.

(12) To subdivide, develop, or dedicate real property to public use or to make or obtain the vacation of plats and adjust boundaries, to adjust differences in valuation on exchange or partition by giving or receiving consideration, and to dedicate easements to public use without consideration.

(13) To make ordinary or extraordinary repairs or alterations in buildings or other structures, to demolish any improvements, to raze existing or erect new party walls or buildings.

(14) To continue and operate any business owned by the Settlor at the Settlor's death and to do any and all things deemed needful or appropriate by the Trustee, including the power to incorporate the business and to put additional capital into the business, for such time as it shall deem advisable, without liability for loss resulting from the continuance or operation of the business except for its

own negligence; and to close out, liquidate or sell the business at such time and upon such terms as it shall deem best.

(15) To collect, receive, and receipt for rents, issues, profits, and income of the Trust Estate.

(16) To insure the assets of the Trust Estate against damage or loss and the Trustee against liability with respect to third persons.

(17) In buying and selling assets, in lending and borrowing money, and in all other transactions, irrespective of the occupancy by the same person of dual positions, to deal with itself in its separate, or any fiduciary capacity.

(18) To compromise, adjust, arbitrate, sue on or defend, abandon, or otherwise deal with and settle claims in favor of or against the Trust Estate as the Trustee shall deem best.

(19) To employ and compensate agents, accountants, investment advisers, brokers, attorneys-in-fact, attorneys-at-law, tax specialists, realtors, and other assistants and advisors deemed by the Trustee needful for the proper administration of the Trust Estate, and to do so without liability for any neglect, omission, misconduct, or default of any such agent or professional representative provided such person was selected and retained with reasonable care.

(20) To determine what shall be fairly and equitably charged or credited to income and what to principal.

(21) To hold and retain the principal of the Trust Estate undivided until actual division shall become necessary in order to make distributions; to hold, manage, invest, and account for the several shares or parts thereof by appropriate entries on the Trustee's books of account; and to allocate to each share or part of share its proportionate part of all receipts and expenses; provided, however, the carrying of several trusts as one shall not defer the vesting in title or in possession of any share or part of share thereof.

(22) To make payment in cash or in kind, or partly in cash and partly in kind upon any division or distribution of the Trust Estate (including the satisfaction of any pecuniary distribution) without regard to the income tax basis of any specific property allocated to any beneficiary and to value and appraise any asset and to distribute such asset in kind at its appraised value; and when dividing fractional interests in property among several beneficiaries to allocate entire interests in some property to one beneficiary and entire interests in other property to another beneficiary or beneficiaries. Whenever such division or distribution of the Trust Estate will result in the residual transfer of property after the satisfaction

of a pecuniary payment, such pecuniary payment shall carry appropriate interest. Appropriate interest means interest payable from the date of the Settlor's death or from the date specified under applicable state law requiring payment of interest at a rate (i) at least equal to the statutory rate of interest under state law, or if there is none, eighty percent (80%) of the Code section 7520 interest rate at the date of the Settlor's death and (ii) not more than the greater of the statutory rate under state law, or if there is none, one-hundred-twenty percent (120%) of the Code section 7520 interest rate at the date of the Settlor's death.

(23) In general, to exercise all powers in the management of the Trust Estate which any individual could exercise in his or her own right, upon such terms and conditions as it may reasonably deem best, and to do all acts which it may deem reasonably necessary or proper to carry out the purposes of this Trust Agreement.

(24) To purchase property, real or personal, from the Settlor's general estate upon such terms and conditions as to price and terms of payment as the Settlor's executors or administrators and the Trustee shall agree, to hold the property so purchased as a part of the Trust Estate although it may not qualify as an authorized trust investment except for this provision, and to dispose of such property as and when the Trustee shall deem advisable. The fact that the Settlor's executors or administrators and the Trustee are the same shall in no way affect the validity of this provision.

(25) To lend funds to the Settlor's general estate upon such terms and conditions as to interest rates, maturities, and security as the Settlor's executors or administrators and the Trustee shall agree, the fact that they may be the same in no way affecting the validity of this provision.

(26) To receive property bequeathed, devised or donated to the Trustee by the Settlor or any other person; to receive the proceeds of any insurance policy which names the Trustee as beneficiary; to execute all necessary receipts and releases to Executors, donors, insurance companies and other parties adding property to the Trust Estate.

(27) To combine assets of two or more trusts if the provisions and terms of each trust are substantially identical, and to administer them as a single trust, if the Trustee reasonably determines that the administration as a single trust is consistent with the Settlor's intent, and facilitates the trust's administration without defeating or impairing the interests of the beneficiaries.

(28) To divide any trust into separate shares or separate trusts or to create separate trusts if the Trustee reasonably deems it appropriate and the division or creation is consistent with the Settlor's intent, and facilitates the trust's

administration without defeating or impairing the interests of the beneficiaries. Further, the donee of any power of appointment with respect to a trust so divided may exercise such power differently with respect to the separate trusts created by the division. The Settlor exonerates the Trustee from any liability arising from any exercise or failure to exercise these powers, provided the actions (or inactions) of the Trustee are taken in good faith. In addition, the Independent Trustee of any trust created hereunder shall have the power, without court order or approval, to create a sub-trust of such trust in any jurisdiction for the benefit of the beneficiary or beneficiaries of such trust. Any such sub-trust shall be substantially identical to the trust to which it is a sub-trust and shall have identical beneficiaries with identical interests to their interests in the original trust.

(29) To divide property in any trust being held hereunder with an inclusion ratio, as defined in Section 2642(a)(1) of the Internal Revenue Code of 1986, as from time to time amended or under similar future legislation, of neither one nor zero into two separate trusts representing two fractional shares of the property being divided, one to have an inclusion ratio of one and the other to have an inclusion ratio of zero, to create trusts to receive property with an inclusion ratio of either one or zero and if this cannot be done to refuse to accept property which does not have a matching inclusion ratio to the receiving trust's ratio, all as the Trustee in its sole discretion deems best. Whenever such division or distribution of the Trust Estate will result in the residual transfer of property after the satisfaction of a pecuniary payment, such pecuniary payment shall carry appropriate interest. Appropriate interest means interest payable from the date of the Settlor's death or from the date specified under applicable state law requiring payment of interest at a rate (i) at least equal to the statutory rate of interest under state law, or if there is none, eighty percent (80%) of the Code section 7520 interest rate at the date of the Settlor's death and (ii) not more than the greater of the statutory rate under state law, or if there is none, one-hundred-twenty percent (120%) of the Code section 7520 interest rate at the date of the Settlor's death.

(30) If the Trustee shall act as the Executor of the Settlor's estate, to elect to allocate any portion or all the Settlor's generation-skipping transfer exemption provided for in Code Section 2631 or under similar future legislation, in effect at the time of the Settlor's death, to any portion or all of any other trusts or bequests in the Settlor's Will or any other transfer which the Settlor is the transferor for purposes of the generation-skipping tax. Generally, the Settlor anticipates that the Settlor's Executor will elect to allocate this exemption first to direct skips as defined in Code Section 2612, then to Share B, Trust B and/or Trust C-1, if such shares or trusts are created hereunder, unless it would be inadvisable based on all the circumstances at the time of making the allocation; and to make the special election under Section 2652(a)(3) of the Code to the extent the Settlor's Executor deems in the best interest of the Settlor's estate.

ARTICLE XI

Special Provisions Concerning Investment in or Bequests of S Corporation Stock. With respect to stock in an S Corporation held by any trust created hereunder:

(1) Intent. It is the Settlor's intent that any trust created under this Agreement which owns S Corporation stock (which is not a grantor trust which qualifies as an S Corporation shareholder) and for which an election has been made under either Section 1361(d)(2) or Section 1361(e)(3) of the Code meet the requirements of a Qualified Subchapter S Trust or an Electing Small Business Trust, respectively. Therefore, the Settlor directs that all issues relating to such status be resolved accordingly. The Settlor further directs that all powers and discretions of the Trustee shall only be exercised and interpreted in a manner consistent with this intent and in compliance with then existing laws and regulations and any powers and discretions of the Trustee which cannot be so exercised or interpreted and which are inconsistent with the Settlor's intention shall be void and of no effect.

(2) Creation of Separate Trusts. If the Trustee receives in trust the stock of an "S Corporation," as defined in Subchapter S of the Code, as amended, or is asked to join in an election under Subchapter S with regard to stock held in trust, and if in the opinion of the Independent Trustee such election will be in the best interest of the beneficiary or beneficiaries of the trust which own shares in the electing corporation, then the Independent Trustee may join in such election on behalf of such trust. If at such time (or as a result of the creation of a separate trust hereunder) the trust provisions or administration would prevent a trust created hereunder from qualifying as a Qualified Subchapter S Trust, as defined in Section 1361(d) of the Code, as amended, or its successor, then notwithstanding any other provision herein the Independent Trustee is authorized to distribute the stock to be subject to the election to a separate trust or trusts for the benefit of such person (hereinafter referred to as the "S Beneficiary") who is the current income beneficiary or a current beneficiary eligible to receive income or principal on such terms as the Independent Trustee in its sole discretion deems necessary in order that such a trust or trusts may qualify as a permitted shareholder under Section 1361(d). Such Qualified Subchapter S Trust shall be held and administered by the Independent Trustee, subject to the following provisions:

(a) The Trustee shall distribute all income currently to the S Beneficiary;

(b) Any principal distributions by the Trustee during the term of the trust shall be made only to the S Beneficiary, and any such distribution shall be made in accordance with the principal distribution restrictions set forth in the nonqualified trust and as provided in Paragraph (3) of this Article;

- (c) The trust shall terminate as provided in the non-qualified trust;
- (d) On termination of the trust during the life of the S Beneficiary, the trust estate then remaining shall be distributed to the S Beneficiary;
- (e) On termination of the trust on the death of the S Beneficiary, the trust estate then remaining shall be disposed of as provided in the nonqualified trust (except that no S Corporation stock may be distributed to any person who is not an eligible S Corporation shareholder or to any person who would cause the termination of the S election);
- (f) To prevent the inadvertent termination of an S election, the S Beneficiary may not assign or otherwise transfer all or any part of such S Beneficiary's interest in the income or principal of the qualified S Corporation trust; and
- (g) Each separate trust created by this Article shall be known by the name of the S Beneficiary and the words "S Trust," and shall be held under all of the terms of the nonqualified trust to the extent not inconsistent with this Article.
- (3) Distributions. To be a Qualified Subchapter S Trust under present law, the trust is required to distribute all of its income currently to one individual beneficiary who is a citizen or resident of the United States. In addition, such beneficiary is treated as the federal income tax owner of the S Corporation stock. The S Beneficiary may therefore be taxed not only on the trust income required to be distributed, but also on income or gain which constitutes a principal item for trust accounting purposes. The Independent Trustee is authorized to distribute sufficient income or principal to the S Beneficiary of a trust hereunder to provide sufficient funds to the S Beneficiary to pay income tax on undistributed taxable income or gain which constitutes a principal item for trust accounting purposes.
- (4) Limitations on Trustee of Qualified Subchapter S Trust. The Trustee of any trust holding stock in an "S" Corporation shall not purchase or acquire life insurance on the life of the Settlor or the Settlor's spouse or take any other actions that would cause the trust, or any portion of the trust, to be treated as a grantor trust (as to any person other than the S Beneficiary, under subpart E, Part I, subchapter J, Chapter 1 of the Code (or any of the successor sections)).
- (5) Termination of Election. The provisions of this Article shall not prevent revocation of any S election that has been made by a corporation whose stock is held in the estate for the Settlor or the Settlor's spouse, or in a Qualified Subchapter S Trust or Electing Small Business Trust. However, the Independent

Trustee shall consent to revocation of any S election only if the Independent Trustee determines that such revocation is in the best interests of the S Beneficiary, in the case of a Qualified Subchapter S Trust, or the beneficiaries generally, in the case of an Electing Small Business Trust.

(6) Amendment to Comply with Code. The Settlor recognizes that the Code provisions and applicable Treasury regulations relating to the trust ownership of S Corporation stock are not only complex, but are also subject to change. Therefore, to accomplish the Settlor's intent that the requirements of a Qualified Subchapter S Trust, Electing Small Business Trust, or any other trust eligible to be a shareholder of an S Corporation be met, the Settlor grants to the then acting Independent Trustee, or any other individual appointed by a court of competent jurisdiction, other than the Settlor, the Settlor's spouse, any of the issue of the Settlor and the Settlor's spouse, or any beneficiary of a trust created hereunder the power to amend the terms of any trust holding S Corporation stock for the sole purpose of complying with the Code and such regulations, including amendments enabling such trust or trusts to be eligible to be a shareholder of an S Corporation under Section 1361 or any other provision of the Internal Revenue Code, as amended from time to time. Any such amendment shall be in writing and notice of such amendment shall be given to the Trustee, the S Beneficiary, in the case of a Qualified Subchapter S Trust, and the beneficiaries generally, in the case of an Electing Small Business Trust or any other trust. If no objection is filed with the court having jurisdiction of the trust by either the Trustee, the S Beneficiary, in the case of a Qualified Subchapter S Trust, and the beneficiaries generally, in the case of an Electing Small Business Trust or any other trust within Thirty (30) days of such notice, the amendment shall be effective as of the date set forth in the amendment. If any objection is filed, the amendment shall be effective only if and to the extent determined by the court.

(7) Authority. Notwithstanding anything herein to the contrary, all decisions under this Article shall be made only by an Independent Trustee. A Family Trustee shall take no part in decisions under this Article. A separate trust may be created or amended hereunder only by written instrument signed by the Independent Trustee and delivered to the current income beneficiaries of the Trusts hereunder. Notwithstanding the foregoing, the Family Trustee may continue to participate in the voting of corporate stock as provided in this Agreement.

(8) Definition of "Non-Qualified Trust". The term "non-qualified trust" shall mean the original trust under this Agreement that the S stock was a part of prior to the creation of the separate trust provided for hereunder.

(9) Definition of "S Beneficiary". The term S Beneficiary shall mean the current income beneficiary of a Qualified Subchapter S Trust.

(10) "Qualified Subchapter S Trust". A Qualified Subchapter S Trust shall mean a trust that qualifies as a Qualified Subchapter S Trust under Section 1361(d) of the Internal Revenue Code as amended, or its successor.

(11) Conversion from Qualified Subchapter S Trust to Electing Small Business Trust. Notwithstanding anything herein to the contrary, for so long as the law permits a trust to own stock in a Subchapter S corporation without being required to distribute all of its income currently to one individual beneficiary, then the Independent Trustee is authorized in its discretion to make any elections to qualify a trust created hereunder as a Subchapter S corporation shareholder under Code Section 1361(e) and to revoke any actions previously taken under this Article to qualify a trust created hereunder as a permitted shareholder in a Subchapter S corporation under Code Section 1361(d) including but not limited to merging the separate trust created hereunder into the original trust created hereunder.

ARTICLE XII

Trustee Resignation, Trustee Succession, Trustee Fees and Other Matters.

The provisions for Trustee resignation, Trustee succession, Trustee fees and other matters are set forth below:

(1) Resignation of Trustee. Except as otherwise provided in this Trust Agreement the Trustee shall have the right to resign at any time without court order by giving written notice to the Settlor during his lifetime (or to the Settlor's guardian if the Settlor is adjudicated incompetent), or after the Settlor's death, to the successor Trustee designated in Article I of this Trust Agreement or, if none, to the person or persons designated below who are authorized to appoint a successor Trustee. Such resignation shall become effective upon acceptance of the Trusteeship by a successor Trustee.

(2) Successor Trustee. The Settlor hereby directs that each trust created hereunder may, but need not, have a different Trustee. If the Trustee as initial Trustee, or a successor Trustee, resigns or otherwise becomes unable or unwilling to serve, or if no Trustee is currently serving because an Trustee was not initially named in this Trust, then an initial or successor Trustee may be appointed by the next listed of the following persons in the order named (provided that a succeeding person(s) listed may not make such appointment unless the preceding person(s) is unable to make such appointment):

(a) GEORGE C. COMBIS, who is authorized to appoint himself as a Trustee hereunder;

(b) DIANE COMBIS, who is authorized to appoint herself as a Trustee hereunder;

(c) the primary beneficiary of such trust or if there is no primary beneficiary then a majority of the beneficiaries to whom the income of a trust could then be paid, who are not authorized to appoint themselves as a Trustee hereunder. If a beneficiary is a minor or incapacitated or not competent, the vote on his or her behalf may be made by a person (other than the Settlor's spouse, or a person who has made a transfer to the trust) who is (i) the guardian of the beneficiary's estate or, if none, (ii) the guardian of the person of the beneficiary; or

(d) a court of competent jurisdiction.

Notwithstanding the foregoing, one or more beneficiaries shall not have a right to select a successor Trustee if the exercise of such power, at the time of exercise, would cause the trust corpus to be included in the estates of one or more of such beneficiaries.

(3) Beneficiaries' Right to Petition for Removal of Corporate Trustee. In the event that a corporate Trustee is appointed, and such Trustee's investment performance for investable funds is below average performance of professional investment managers for a sustained period of time which shall in no event be construed to exceed Three (3) years, the then income beneficiaries of each separate trust shall have the right, as a group, acting unanimously, to petition for removal of such corporate Trustee in a court of competent jurisdiction, and to recommend to the court in such petition a successor Trustee. In evaluating the petition, the court should construe the Settlor's intentions to provide not merely a preservation of the Trust assets but also for adequate growth such as is available from a corporate Trustee doing business in the state of the Trust situs having above-average investment performance. The Settlor does not intend by this provision in any way to limit the rights or remedies which a beneficiary may have regarding a Trustee generally under this Agreement or state law nor does the Settlor intend to increase the Trustee's liabilities generally under this Agreement or under state law. If a beneficiary is a minor or incapacitated or not competent, the vote on his or her behalf may be made by a person (other than the Settlor's spouse, or a person who has made a transfer to the Trust) who is (i) the guardian of the beneficiary's estate or, if none, (ii) the guardian of the person of the beneficiary.

(4) Instrument Effecting Appointment. The appointment of any successor Trustee shall be effected by an instrument which has been signed by the person or persons having the right of such appointment and by the successor Trustee in acceptance of the appointment and which has been delivered to the then acting Trustee, if any.

(5) Transfer of Trust Property to a Nonresident Trustee. If a nonresident successor Trustee is appointed, the Trust property may be transferred without court order to the nonresident successor Trustee or such other entity as the nonresident successor Trustee may direct. It is the Settlor's understanding that the separate trusts created hereunder may be held by different Trustees and administered independently in different states.

(6) Powers of Successor Trustee. Any successor or substitute Trustee may exercise all the powers and authority conferred upon the original Trustee, including the right to resign, and shall not be liable for any acts or omissions of any predecessor Trustee.

(7) Family Trustee and Independent Trustee as Co-Trustees. Whenever a Family Trustee and an Independent Trustee are acting as Co-Trustees under this Trust instrument, the following provisions shall apply:

(a) Decision of Family Trustee to Control Upon Disagreement. If there is any disagreement between Co-Trustees as to the joint or mutual powers given to them concerning investments of Trust property, including the exercise of any voting rights with respect to business interests held by any trust created under this Trust Agreement, the decision of the Family Trustee shall control. The Independent Trustee shall not be liable for any act or omission to act on the part of the Family Trustee not joined in by the Independent Trustee regarding those matters with respect to which the decision of the Family Trustee controls.

(b) Family Trustee's Power of Delegation. The Family Trustee shall have the power without court order at any time and from time to time to delegate to the Independent Trustee any or all of the Family Trustee's powers as Co-Trustee. The power of delegation shall be exercised by the Family Trustee by delivery to the Independent Trustee of written notice specifying the powers delegated. Such delegation shall remain effective for the time specified in the notice of delegation. The Family Trustee shall not be liable with respect to the exercise or nonexercise of powers delegated during the period of such delegation.

(8) Limitation on Successor Trustee. Any successor Trustee appointed pursuant to the foregoing provisions must be (i) an association or corporation (other than an association or corporation in which a beneficiary has a significant direct or indirect ownership interest) qualified to exercise trust powers or (ii) an individual. Also, an individual shall not be appointed Trustee of a trust created hereunder unless such individual is experienced in business; provided, however, that this limitation shall not be applied to limit the right (if any such right exists hereunder), of a beneficiary hereunder to serve as a Family Trustee. The foregoing sentence is precatory and not mandatory.

(9) Discharge of Legal Obligations. Notwithstanding any provision to the contrary herein, no distribution of income or principal shall be made from any trust created hereunder to or for the benefit of any beneficiary, if such distribution would have the effect of satisfying any legal obligation of another beneficiary to support such beneficiary, including any legal obligation of support under state law.

(10) Limitations Applicable to Trustee. Notwithstanding any other provision of this Agreement, no Trustee (or other person) who is a beneficiary of any trust created hereunder (other than a contingent remainder beneficiary) or who is obligated to support a beneficiary of any trust created hereunder (other than a contingent remainder beneficiary), shall ever participate as Trustee of that trust in the exercise, or decision not to exercise, any discretion granted to the Trustee (i) to directly or indirectly, make distributions, payments or applications of income or principal of any trust created hereunder to or for the benefit of any beneficiary, including but not limited to himself or herself, unless such distributions are for the health, education (including college and professional), maintenance and support of such beneficiary, (ii) to allocate receipts or expenses to or between income and principal of any trust, if the trust provides for a mandatory distribution of income, (iii) to exercise any vote to declare a dividend or make any capital adjustment of a corporation owned by any trust (or to exercise similar powers in a partnership or other entity owned by any trust), if the trust provides for a mandatory distribution of income, (iv) to consolidate or merge any trusts, create any separate trusts, or terminate any trusts, (v) to exercise any discretion with respect to an insurance policy held hereunder on the life of such Trustee (including, but without limitation, any discretion which would constitute an "incident of ownership" within the meaning of Section 2042(2) of the Code, (vi) to hold any Trust property as a custodian for a minor or as donee of a power during minority, or select any such custodian or donee, (vii) to remove any Trustee, (viii) to exercise any power to amend or affect beneficiaries' powers of withdrawal over additions to any Trust, (ix) to exercise any power to lend money, directly or indirectly, to himself or herself, or to any person or entity that would have the effect of satisfying a legal obligation of such Trustee including an obligation of support under state law, or (x) to exercise any general power of appointment described in Sections 2041 or 2514 of the Code. In addition, no Trustee who is under a legal obligation to support any beneficiary shall participate in the exercise, or decision not to exercise, any discretion granted to the Trustee over payments, distributions, applications or beneficial uses of trust property in discharge of any obligation of support to such beneficiary. These limitations shall be in addition to any limitations under applicable state law. In each case, the determination of the remaining Trustee or Trustees shall be final and binding upon the beneficiaries of such trust. In addition, no individual shall serve as Trustee of any trust which holds property with respect to which such individual has made a qualified disclaimer within the meaning of Section 2518 of the Code. If all of the Trustees serving are unable to participate in the exercise of any such discretion or are otherwise disqualified from or restricted

in exercising any power under any trust created hereunder or under applicable state law, then the person or persons who are authorized to appoint a successor or substitute Trustee hereunder may appoint an Independent Trustee who is capable of exercising the fiduciary discretion to make any such distribution, tax election or take other necessary action hereunder; and if no persons hereunder are able or willing to appoint an Independent Trustee for such purpose then a court of competent jurisdiction may be petitioned to appoint a Co-Trustee or special Trustee who is not disqualified as provided under state law. The limitations set forth in this paragraph shall not apply to the Settlor of this revocable trust.

(11) No General Power of Appointment. No beneficiary, Trustee, delegatee of a Trustee or Trust Protector (if any) hereunder, as the case may be, shall have any right, power, duty, or discretion hereunder concerning any trust created hereunder (including but not limited to the right to make distributions to or for the benefit of himself or herself unless such distributions are for the health, education (including college and professional), maintenance and support of such beneficiary, including the satisfaction of a legal obligation of support, to terminate a trust so as to receive a distribution, to borrow money or to exercise any power that would benefit himself or herself), if such right, power, duty or discretion conferred upon said beneficiary, Trustee or Trust Protector (if any), as the case may be, under this Agreement is a general power of appointment under Section 2041 of the Code, which would cause any assets of any trust created hereunder to be included in the estate of the beneficiary or Trustee at death or would constitute a lapse of a general power of appointment under Section 2514 of the Code, in each case including but not limited to a power which would constitute a reciprocal power if exercised in conjunction with another then acting Trustee. Any such right, power, duty or discretion with such effect shall be null and void with respect to said beneficiary, Trustee or Trust Protector (if any), as the case may be. This provision shall not limit a beneficiary's right to exercise any Five Thousand Dollar (\$5,000) or five percent power of withdrawal granted under any trust created hereunder, to exercise a withdrawal right specifically granted to a beneficiary upon attaining a specified age or to exercise a general power of appointment specifically granted to a beneficiary under Trust B or Trust D, if such trust is a part hereof. Also, this provision shall not limit the right of any beneficiary to exercise any special power of appointment granted to him or her under this Agreement. The limitations set forth in this paragraph shall not apply to the Settlor of this revocable trust.

(12) Fee Schedule for Individual Trustee. For its services as Trustee, an individual Trustee shall receive reasonable compensation for the services rendered and reimbursement for reasonable expenses, or such other reasonable fee as approved in writing by the primary beneficiary (or guardian of any minor primary beneficiary). The Settlor understands that professional money managers may be utilized by the Trustee to manage money and that a Trustee who is affiliated with a

money manager may receive direct or indirect compensation for money management services provided to the trust.

(13) Fee Schedule for Corporate Trustee. For its services as Trustee, a corporate Trustee shall receive an amount determined by its Standard Fee Schedule in effect and applicable at the time of the performance of such services, or such lower amount as negotiated upon such corporate Trustee's appointment or at any other time. If no such schedule shall be in effect at that time, it shall be entitled to reasonable compensation for the services rendered.

(14) Accountings by the Trustee. The Trustee may render to any trust beneficiaries and to any court appointed personal representatives of any minor or incapacitated income beneficiaries (and, at the request of a majority of the adult beneficiaries of any trust created hereunder, must render annually or quarterly) statements of the Trustee's management of this Trust, showing all receipts, disbursements and distributions of both income and principal. If the Trustee does not receive any objection in writing from said persons within Sixty (60) days after the rendering of any such statements, such statements shall be deemed approved by said persons and such approval, as to all matters and transactions stated in said statements or shown thereby with the exception of circumstances involving fraud or gross negligence, shall be final and binding upon all persons, whether in being or not, who are then or may thereafter be interested in, or entitled to share in, either the income or principal of such trust, but the right to assent to the Trustee's account does not include any power or right to enlarge or shift the beneficial interest of any beneficiary of the Trust.

(15) Change in Corporate Fiduciary. Any corporate successor to the trust business of the corporate fiduciary designated herein or at any time acting hereunder shall succeed to the capacity of its predecessor without conveyance or transfer.

(16) Trustee's Investment Discretion. It is the Settlor's intention that the Trustee is to have broad discretion under this Trust Agreement with respect to any investments. As a result of exercising this broad discretion, the Trustee shall not be limited in any way or held liable for breach of any state or federal fiduciary duty to invest prudently or by any state or federal prudent-man investment standard. In carrying out any of the duties under this Trust Agreement, the Trustee shall not be held liable for any act unless that act constitutes gross negligence or wilful misconduct on the part of the Trustee. This provision shall in no way include any authorization for a Trustee to enlarge or shift the beneficial interest of any beneficiary of the trust.

(17) Investment Approval. If the primary beneficiary (over the age of Twenty-One (21)) of any trust hereunder (or all income beneficiaries of the trust

who are over the age of Twenty-One (21) if there is no primary beneficiary) approves any particular bona fide investment or investments by the Trust in writing to the Trustee, then the Trustee (both Family and Independent Trustee) will not be held liable for any breach of fiduciary duty or negligence for his or her good faith decision to invest in that particular investment. The right to approve investments shall in no way include any authorization for a Trustee or beneficiary to enlarge or shift the beneficial interest of any beneficiary of the trust.

(18) Notice of Events. Until the Trustee receives, from some person interested in this Trust, written notice of any death, birth, marriage, or other event on which the right to receive income or principal of any trust created hereunder may depend, the Trustee shall incur no liability for any disbursements or distributions made or omitted in good faith.

(19) No Requirement of Third Parties to Inquire into Trustee's Actions. No person or institution dealing with the Trustee shall be required to see to the application of any money or other property delivered to the Trustee or to inquire into the necessity or propriety of any action taken or not taken by the Trustee.

(20) Liability of Individual Trustee. An individual Trustee shall use his or her discretion in application of his or her power and authority and shall not be liable in any manner for any losses resulting from the exercise of his or her discretion, unless such loss shall result directly from the Trustee's gross negligence or willful misconduct. This limitation of liability is not intended to limit or expand the liability of a corporate Trustee as otherwise provided in this Trust Agreement or provided generally by law. This provision shall in no way include any authorization for a Trustee to enlarge or shift the beneficial interest of any beneficiary of the trust.

(21) Trustee to Serve Without Bond or Court Supervision. Neither the Trustee named herein nor any successor Trustee, whether named herein or not, shall be required to give or file bond or other security for the faithful performance of the duties of said office. The Settlor directs that no Trustee appointed or named hereunder shall be required to qualify before any court, that no accounts need be filed in any courts by any Trustee, and that none of the trusts created by this Agreement need be submitted to the jurisdiction of any court. The Trustee or the beneficiaries of any trust created by this instrument, however, are not prohibited from obtaining a court adjudication of any of the Trustee's accounts, and may request court instructions or submit a dispute to the appropriate court at any time or take more than one or all of said actions.

(22) Delegation of Duties and Powers. Any Trustee shall have the power to delegate any duties or powers, discretionary or otherwise, to any person or institution for such periods and upon such terms and conditions as may be designated in a written instrument acknowledged in such form as would entitle a

deed of real property to be recorded and delivered to such person or institution; and, if any duties or powers are delegated to a co-fiduciary, the fiduciary so delegating any duties or powers hereunder shall have no further responsibility with respect to the exercise of such duties or powers so long as such delegation shall remain in effect; and any such delegation shall be revocable by a similar instrument so delivered at any time, provided, however, that an Independent Trustee may not delegate to anyone any duties or powers that the person would be specifically prohibited from exercising (whether the person was a trustee or not) under the terms of any trust created hereunder or under applicable state law and such person shall not exercise any such prohibited duties or powers. All limitations on a trustee's powers under this Agreement shall be applicable to any person who holds powers delegated to such person by a Trustee.

(23) Successor Trustee Liability. No successor Trustee shall be personally liable for any act or omission of any predecessor. With the approval of the beneficiary or a majority in interest of the beneficiaries then entitled to receive or have the benefit of the income from the trust, a successor Trustee may accept the account rendered and the property received as a full and complete discharge to the predecessor Trustee without incurring any liability for so doing.

(24) Examination of Accounts. No successor Trustee shall be obligated to examine the accounts and actions of any previous Trustee.

(25) Exercise of Powers by Co-Trustees. Except as specifically provided in this Trust Agreement, joint or mutual powers given to the Trustees, including, but not limited to, the powers concerning investments of Trust property, must be exercised by both of the Trustees if there are two Trustees or by a majority of the Trustees if there are more than two Trustees. A Trustee shall not be personally liable to the beneficiaries of the trust or to others for any act on the part of a majority of the Trustees not joined in by such Trustee or for any act in which the Trustee joins at the direction of a majority of the Trustees if the Trustee expressed such Trustee's dissent in writing to any of the other Trustees at or before the time of such joinder. Notwithstanding anything herein to the contrary, during the lifetime of the Settlor if more than one trustee is serving hereunder, either co-trustee is authorized, without the approval or consent of the other co-trustee, to take any action with respect to any bank deposit or brokerage account, including but not limited to any savings, checking, money market, brokerage, mutual fund or other account held as part of this Trust Estate. Such actions that may be taken by a co-trustee with respect to such accounts during the lifetime of the Settlor shall include but not be limited to the power to make deposits to and draw checks on such accounts and the power to merge and terminate such accounts.

(26) Trustees' Disputes Referred to Arbitration. Except as otherwise provided under paragraph (7)(a) of this Article, if at any time in the performance of

their duties under this Trust instrument or in the administration of this Trust instrument, the Trustees who are authorized to act on a particular matter are equally divided on such matter and are unable to resolve such division and to reach an effective decision as to the administration of this Trust instrument, they may appoint an arbitrator and a decision by the arbitrator shall be deemed to be and shall constitute the action of the Trustees in regard to such matter. The arbitrator appointed pursuant to this Paragraph is hereby expressly relieved from any responsibility, duty or liability and shall have no further powers and authority under this Trust instrument. The duties and obligations of the arbitrator are as specified in this Paragraph, and the arbitrator shall not be responsible or personally liable in any way for any acts or decisions which would otherwise be deemed to constitute the administration of this Trust instrument. The arbitrator appointed under this Paragraph shall be a person who is unrelated by blood or marriage to the Settlor, any beneficiary hereunder or any Trustee hereunder and such arbitrator shall be experienced in matters involving the administration of a trust.

ARTICLE XIII

Considerations in Making Discretionary Distributions. In deciding whether to make distributions of the income or principal of any trust which are within the discretion of the Trustee, the Trustee should consider the following matters which are not intended to limit or direct the exercise of such discretion in any way:

(1) General Purposes for Distributions. Except as otherwise provided for distributions from Trust C if such trust is a part hereof, it is the Settlor's general desire, although not binding on the Trustee, that the Trustee's discretion be exercised for such purposes as the Trustee shall deem reasonable and appropriate for the health, education (including college and professional), maintenance and support in the accustomed manner of living of the beneficiaries. The Trustee of each trust created hereunder may exercise its discretion to withhold distributions to a beneficiary. It is intended that each trust created hereunder shall be a discretionary trust as to distributions even though distributions may be limited by an ascertainable standard.

(2) Consideration of Other Financial Resources. The Trustee may take into consideration other financial resources of the beneficiaries but is not required to do so.

(3) No Obligation to Equalize Distributions. Whenever there is more than one beneficiary of a trust, distributions of income and principal may be made by the Trustee without obligation to equalize such distributions among the beneficiaries.

(4) Discretionary Distributions to Beneficiaries. The Trustee should make no discretionary distribution of income or principal to any beneficiary of a trust

created hereunder without first consulting with the primary beneficiary of such trust as to the propriety or appropriateness of such distribution. It is the Settlor's desire that the Trustee carefully consider and take into consideration the recommendations of the primary beneficiary of each trust; provided, however, the primary beneficiary shall have no power to cause or prevent the Trustee from making a discretionary distribution to another beneficiary.

ARTICLE XIV

Trustee's Discretion to Allow Beneficiary or Beneficiaries to Occupy Residential Real Estate. The Trustee may in its discretion permit any beneficiary or beneficiaries to occupy rent free any residence constituting a part of the trust assets for such beneficiary or beneficiaries if necessary or desirable for their maintenance and support in a beneficiary's or beneficiaries' accustomed manner of living and to pay the real estate taxes thereon, expenses of maintaining the residence in suitable repair and condition and hazard insurance premiums on the residence.

ARTICLE XV

Provision for Trustee to Act as Trustee for Beneficiary Under Age Thirty (30). Except as otherwise provided in this Trust Agreement with respect to a withdrawal right granted to a beneficiary upon reaching a certain age, if any share hereunder becomes distributable to a beneficiary who has not attained the age of Thirty (30), such share shall immediately vest in the beneficiary, but notwithstanding the provisions herein, the Trustee shall retain possession of the share in trust for the beneficiary until the beneficiary attains the age of Thirty (30), using so much of the net income and principal of the share as the Trustee deems necessary to provide for the health, education, support and maintenance in the accustomed manner of living of the beneficiary, taking into consideration to the extent the Trustee deems advisable any other income or resources of the beneficiary or his or her parents known to the Trustee. Any income not so paid or applied shall be accumulated and added to principal. The beneficiary's share shall be paid over and distributed to the beneficiary upon attaining age Thirty (30), or if he or she shall sooner die, to his or her executors or administrators. The Trustee shall have with respect to each share so retained all the powers and discretions it had with respect to the trusts created herein generally.

ARTICLE XVI

Trustee's Discretion in Making Payments to a Person Under Age Thirty (30), Incompetent, or Incapacitated Person. Except as otherwise provided in this Trust Agreement with respect to a withdrawal right granted to a beneficiary upon reaching a certain age, in case the income or principal payment under any trust

created hereunder or any share thereof shall become payable to a person under the age of Thirty (30), or to a person under legal disability, or to a person not adjudicated incompetent, but who, by reason of illness or mental or physical disability, is, in the opinion of the Trustee unable properly to administer such amounts, then such amounts shall be paid out by the Trustee in such of the following ways as the Trustee deems best: (1) directly to the beneficiary; (2) to the legally appointed guardian of the beneficiary; (3) to some relative or friend for the health, education, support and maintenance in the accustomed manner of living of the beneficiary; (4) by the Trustee using such amounts directly for the beneficiary's care, support and education; (5) to a custodian for the beneficiary under the Uniform Gifts or Transfers to Minors Act.

ARTICLE XVII

Power of Trustee to Resign During Settlor's Lifetime. Any Trustee may resign this trusteeship during the Settlor's lifetime by giving the Settlor Thirty (30) days notice in writing delivered to the Settlor in person or mailed to the Settlor's last known address, the resignation to become effective as hereinafter provided. Upon receipt of such notice, the Settlor shall appoint a successor Trustee. Upon the failure of the Settlor to appoint a successor Trustee who accepts the trust within Thirty (30) days from the time notice was delivered in person or mailed to the Settlor, the Trustee may resign to the court having jurisdiction over this trust, which court may, if it deems advisable, accept the resignation and appoint a successor Trustee which shall be an individual as successor to an individual trustee or a bank or trust company qualified to do business in the state of the Settlor's domicile as successor to a corporate trustee. Upon the appointment of and acceptance by the successor Trustee, the original Trustee shall pay over, deliver, assign, transfer or convey to such successor Trustee the Trust Estate and make a full and proper accounting to the Settlor, whereupon its resignation shall become effective. The substitute or successor Trustee upon acceptance of this trust and the Trust Estate shall succeed to and have all the rights, powers and duties, authority and responsibility conferred upon the Trustee originally named herein.

ARTICLE XVIII

Settlor During Lifetime to Designate Substitute or Successor Trustee. The Settlor during the Settlor's lifetime may name a substitute or successor Trustee by delivery to any Trustee herein a notice naming the successor or substitute Trustee and indicating an intent to replace the Trustee named. Upon receipt of such notice the Trustee named shall pay over, deliver, assign, transfer or convey to such substitute or successor Trustee (which accepts the appointment as trustee), the Trust Estate and make a full and proper accounting to the Settlor, whereupon the Trustee named shall be discharged and have no further responsibility under this Trust Agreement. Upon the failure of the Trustee to make such conveyance the

Settlor may apply to the court having jurisdiction of this trust and such court may compel the conveyance by the Trustee. The substitute or successor Trustee upon acceptance of this trust and the Trust Estate shall succeed to and possess all the rights, powers and duties, authority and responsibility conferred upon the Trustee originally named herein.

ARTICLE XIX

Discretion in Independent Trustee to Terminate Trust and Distribute to Income Beneficiary. If at any time any trust created hereunder has a fair market value as determined by the Independent Trustee to be less than that which the Independent Trustee deems practical for continuance of the trust, the Independent Trustee may, in its discretion, terminate the trust. If a trust created hereunder is terminated by the Independent Trustee pursuant to the preceding sentence, then the Independent Trustee shall distribute all of the then remaining principal and undistributed income to the primary beneficiary of such trust, or if there is no primary beneficiary, then to the beneficiary or beneficiaries of the current income thereof, such persons, if there is more than one beneficiary who are issue of the Settlor, to take per stirpes (subject to the rights to distributions from a trust for the Settlor's spouse that would otherwise qualify for the marital deduction). Upon the termination of a trust created hereunder, only the Independent Trustee may distribute the remaining trust property to the trust beneficiaries provided above.

ARTICLE XX

Definition of Children. For purposes of this Trust, "children" means the lawful blood descendants in the first degree of the parent designated; and "issue" and "descendants" mean the lawful blood descendants in any degree of the ancestor designated; provided, however, that if a person has been legally adopted prior to the time that such person reaches the age of eighteen (18), that person shall be considered a child of such adopting parent and such adopted child and his or her issue shall be considered as issue of the adopting parent or parents and of anyone who is by blood or adoption an ancestor of the adopting parent or either of the adopting parents. The terms "child," "children," "issue," "descendant" and "descendants" or those terms preceded by the terms "living" or "then living" shall include the lawful blood descendant in the first degree of the parent designated even though such descendant is born after the death of such parent.

Definition of "Per Stirpes". Whenever property is to be divided "per stirpes," the property to be divided shall be divided into as many equal shares as there are living issue in the nearest degree of kinship to the designated person and deceased issue in the same degree who left issue who survive. Each surviving issue in the nearest degree shall receive one share and the share of each deceased issue in the same degree shall be divided among his or her surviving issue in the same manner.

ARTICLE XXI

Definition of Words Relating to the Internal Revenue Code. As used herein, the words "gross estate," "adjusted gross estate," "taxable estate," "unified credit" ("unified credit" shall also mean "applicable credit amount"), "applicable exclusion amount," "state death tax credit," "maximum marital deduction," "marital deduction," "pass," and any other word or words which from the context in which it or they are used refer to the Internal Revenue Code shall have the same meaning as such words have for the purposes of applying the Internal Revenue Code to the Settlor's estate. For purposes of this Trust Agreement, the Settlor's "available generation-skipping transfer exemption" means the generation-skipping transfer tax exemption provided in section 2631 of the Internal Revenue Code of 1986, as amended, in effect at the time of the Settlor's death reduced by the aggregate of (1) the amount, if any, of the Settlor's exemption allocated to lifetime transfers of the Settlor by the Settlor or by operation of law, and (2) the amount, if any, the Settlor has specifically allocated to other property of the Settlor's gross estate for federal estate tax purposes. For purposes of this Trust Agreement if at the time of the Settlor's death the Settlor has made gifts with an inclusion ratio of greater than zero for which the gift tax return due date has not expired (including extensions) and the Settlor has not yet filed a return, it shall be deemed that the Settlor's generation-skipping transfer exemption has been allocated to these transfers to the extent necessary (and possible) to exempt the transfer(s) from generation-skipping transfer tax. Reference to sections of the Internal Revenue Code and to the Internal Revenue Code shall refer to the Internal Revenue Code amended to the date of the Settlor's death.

ARTICLE XXII

Simultaneous Death Provision Presuming Beneficiary Predeceases Settlor. If any beneficiary and the Settlor should die under such circumstances as would make it doubtful whether the beneficiary or the Settlor died first, then it shall be conclusively presumed for the purposes of this Trust that the beneficiary predeceased the Settlor.

ARTICLE XXIII

Payment of Funeral Expenses and Expenses of Last Illness of Income Beneficiary. On the death of any person entitled to income or support from any Trust hereunder, the Trustee is authorized to pay the funeral expenses and the expenses of the last illness of such person from the principal of the Trust from which such person was entitled to income or support.

ARTICLE XXIV

State Law to Govern. This Trust Agreement and the trusts created hereby shall be construed, regulated and governed by and in accordance with the laws of the State of North Carolina.

ARTICLE XXV

Spendthrift Provision. Except as otherwise provided herein, all payments of principal and income payable, or to become payable, to the beneficiary of any trust created hereunder shall not be subject to anticipation, assignment, pledge, sale or transfer in any manner, nor shall any beneficiary have the power to anticipate or encumber such interest, nor shall such interest, while in the possession of the fiduciary hereunder, be liable for, or subject to, the debts, contracts, obligations, liabilities or torts of any beneficiary.

ARTICLE XXVI

Perpetuities Savings Clause. Notwithstanding anything herein to the contrary, the trusts created hereunder shall terminate not later than Twenty-one (21) years after the death of the last survivor of the trust beneficiaries hereunder, their issue, and any person or persons or their issue used to define the trust beneficiaries under this trust, living on the date of the Settlor's death (or when this trust becomes irrevocable, if sooner), when the Trustee shall distribute each remaining trust hereunder to the beneficiary or beneficiaries of the current income thereof, and if there is more than one beneficiary, in the proportion in which they are beneficiaries or if no proportion is designated in equal shares to such beneficiaries.

Testimonium Clause. IN WITNESS WHEREOF, the Settlor and the Trustee
have executed this Trust Agreement.

WITNESSES:

Paul H. Hallen
Cheryl A. Cedar

Chris Combis (SEAL)
CHRIS COMBIS, Settlor

WITNESSES:

Paul H. Hallen
Cheryl A. Cedar

Chris Combis (SEAL)
CHRIS COMBIS, Trustee

STATE OF NORTH CAROLINA

ACKNOWLEDGEMENTS

COUNTY OF MECKLENBURG

I, a Notary Public, within and for the State and County aforesaid do hereby certify that the foregoing instrument of writing was this day produced to me in the above State and County and was executed and acknowledged by CHRIS COMBIS, as Settlor and Trustee, to be the free and voluntary act and deed of the Settlor and Trustee.

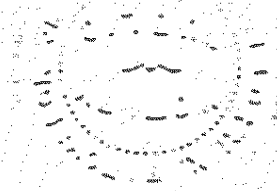
WITNESS my signature this 11th day of March, 2003.

Lorri K. Batchelor
Signature of Notary Public

Lorri K. Batchelor
Name of Notary Public

Notary Public for:
North Carolina

My commission expires: 7-30-2003



FILE COPY

LAST WILL
OF
CHRIS COMBIS

CULP ELLIOTT & CARPENTER, P.L.L.C.
227 West Trade Street, Suite 1500
Charlotte, North Carolina 28202
(704) 372-6322

ROA 0836

LAST WILL AND TESTAMENT
OF
CHRIS COMBIS

Introductory Clause. I, CHRIS COMBIS, a resident of and domiciled in the City of Charlotte, County of Mecklenburg and State of North Carolina, do hereby make, publish and declare this to be my Last Will and Testament, hereby revoking all Wills and Codicils at any time heretofore made by me.

ITEM I

Direction to Pay Debts. I direct that all my legally enforceable debts, secured and unsecured, be paid as soon as practicable after my death. If at the time of my death any of the real property herein devised is subject to any mortgage, I direct that the devisee taking such mortgaged property shall take it subject to such mortgage and that the devisee shall not be entitled to have the obligation secured thereby paid out of my general estate.

ITEM II

I direct that:

(1) Direction to Pay All Taxes from Residuary Estate. Except as provided in (2) herein, all estate, inheritance, succession, death or similar taxes (except generation-skipping transfer taxes) assessed with respect to my estate herein disposed of, or any part thereof, or on any bequest or devise contained in this my Last Will (which term wherever used herein shall include any Codicil hereto), shall be paid out of my residuary estate and shall not be charged to or against any recipient, beneficiary, transferee or owner of any such property or interests in property included in my estate for such tax purposes.

(2) Apportion Taxes on Nonprobate Property. All such taxes in respect to any property or interests in property included in my gross estate under Sections 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, and 2044 of the Internal Revenue Code shall be charged against and paid by the recipient or beneficiary of such property or interest in property or from the property or interest in the property, provided, however, there shall be no apportionment against any donee or recipient of any such property or interest in property which is a qualified charity under Section 2055 and the property or interest in property was allowed in my federal estate tax proceedings as a charitable deduction. The amount of the tax to be charged against such donee or recipient shall be determined by multiplying a

fraction (the numerator of which shall be the federal estate tax value of the property to be apportioned as finally determined in my federal estate tax proceedings and the denominator of which shall be the total value of my taxable estate for such federal estate tax purposes) times the net amount of such taxes payable by my estate after the application of all credits against such taxes.

ITEM III

Pour-Over Gift to Trustee of Testator's Inter Vivos Trust. I give, devise and bequeath all the rest, residue and remainder of my property of every kind and description (including lapsed legacies and devises), wherever situate and whether acquired before or after the execution of this Will, to the then acting trustee under that certain revocable trust agreement made between myself as Settlor and myself as Trustee executed prior to the execution of this Will on the 11th day of March, 2003. The trustee thereunder shall add the property bequeathed and devised by this Item to the principal of the above trust and shall hold, administer and distribute the property in accordance with the provisions of that trust agreement, including any amendments thereto made before my death.

ITEM IV

Alternate Provision to Incorporate Trust by Reference if Pour-Over is Invalid. In the event for any reason the bequest and devise above is ineffective and invalid, then I hereby give, devise and bequeath the rest, residue and remainder of my property of every kind and description (including lapsed legacies and devises), wherever situate and whether acquired before or after the execution of this Will, to the successor Trustee to be held, administered and distributed in accordance with the provisions of that certain revocable trust agreement made between myself as Settlor and myself as Trustee executed prior to the execution of this Will on the 11th day of March, 2003, which trust agreement is hereby incorporated by reference and made a part hereof the same as if the entire trust agreement were set forth herein. If for any reason the successor is unable or unwilling to serve then I hereby nominate, constitute, and appoint as successor or substitute Trustee a bank or trust company qualified to do business in the State of my domicile at the time of my death, or an individual experienced in business and financial matters, which successor or substitute Trustee shall be designated in a written instrument filed with the court having jurisdiction over the probate of my estate and signed by my oldest living child or if he or she fails to act, such Trustee shall be appointed by the court having jurisdiction over the probate of my estate.

ITEM V

Naming the Executor, Executor Succession, Executor's Fees and Other Matters. The provisions for naming the Executor, Executor succession, Executor's fees and other matters are set forth below:

(1) Naming an Individual Executor. I hereby nominate, constitute, and appoint as Executor of this my Last Will and Testament GEORGE C. COMBIS and direct that he shall serve without bond.

(2) Naming Individual Successor or Substitute Executor. If my individual Executor should fail to qualify as Executor hereunder, or for any reason should cease to act in such capacity, the successor or substitute Executor who shall also serve without bond shall be the next person willing to serve from the list below in the order named:

DIANE COMBIS

(3) Compensation for Individual Executor. For its services as Executor, the individual Executor shall receive reasonable compensation for the services rendered and reimbursement for reasonable expenses.

ITEM VI

Definition of Executor. Whenever the word "Executor" or any modifying or substituted pronoun therefor is used in this my Will, such words and respective pronouns shall include both the singular and the plural, the masculine, feminine and neuter gender thereof, and shall apply equally to the Executor named herein and to any successor or substitute Executor acting hereunder, and such successor or substitute Executor shall possess all the rights, powers and duties, authority and responsibility conferred upon the Executor originally named herein.

ITEM VII

Powers for Executor. I hereby authorize my Executor in the exercise of its sole discretion and without an order of court, to do all things and to perform all acts that to it shall seem requisite or desirable in the businesslike settlement of my estate, including specifically the right to apportion and allocate receipts and expenses between income and principal. Without in any way limiting the generality of the foregoing, my Executor shall have all of the powers, except power (29) entitled "Apportion and Allocate Receipts and Expenses", set forth and described in Article 3 (Section 32-27), Chapter 32, of the General Statutes of North Carolina, relating to powers of fiduciaries, as they shall exist at the time of execution of this Will, which powers are incorporated in this Will as if fully copied herein and all the

powers, except power (18), set forth and described in Article 13 (Section 28A-13-3), Chapter 28A, of the General Statutes of North Carolina, relating to powers of personal representatives. I specifically authorize my Executor to sell real or personal property, at public or private sale, for cash or on credit, without court approval.

ITEM VIII

Provision for Executor to Act as Trustee for Beneficiary Under Age Twenty-One. If any share or property hereunder becomes distributable to a beneficiary who has not attained the age of Twenty-one (21) years or if any real property shall be devised to a person who has not attained the age of Twenty-one (21) years at the date of my death, then such share or property shall immediately vest in the beneficiary, but notwithstanding the provisions herein, my Executor acting as Trustee shall retain possession of the share or property in trust for the beneficiary until the beneficiary attains the age of Twenty-one (21), using so much of the net income and principal of the share or property as my Executor deems necessary to provide for the health, education, support and maintenance in the accustomed manner of living of the beneficiary, taking into consideration to the extent my Executor deems advisable any other income or resources of the beneficiary or his or her parents known to my Executor. Any income not so paid or applied shall be accumulated and added to principal. The beneficiary's share or property shall be paid over, distributed and conveyed to the beneficiary upon attaining age Twenty-one (21), or if he or she shall sooner die, to his or her executors or administrators. Whenever my Executor determines it appropriate to pay any money for the benefit of a beneficiary for whom a trust is created hereunder, then the amounts shall be paid out by my Executor in such of the following ways as my Executor deems best: (1) directly to the beneficiary; (2) to the legally appointed guardian of the beneficiary; (3) to some relative or friend for the care, support and education of the beneficiary; (4) by my Executor using such amounts directly for the beneficiary's care, support and education; (5) to a custodian under a uniform gift or transfer to minors act. My Executor as trustee shall have with respect to each share or property so retained all the powers and discretions conferred upon it as Executor. My Executor acting as trustee hereunder shall not be required to qualify as trustee in any court or to file in any court or with any public official any reports or accounts relating to the administration of any trust created under this Will; provided, however, my Executor acting as trustee hereunder shall furnish annually, or at more frequent intervals in his or her discretion, reports and accounts of the administration of the trust to the income beneficiaries thereof. Additionally, no bond shall be required of my Executor acting as trustee hereunder.

ITEM IX

Discretion Granted to Executor in Reference to Tax Matters. My Executor as the fiduciary of my estate shall have the discretion, but shall not be required when allocating receipts of my estate between income and principal, to make adjustments in the rights of any beneficiaries, or among the principal and income accounts to compensate for the consequences of any tax decision or election, or of any investment or administrative decision, that my Executor believes has had the effect, directly or indirectly, of preferring one beneficiary or group of beneficiaries over others; provided, however, my Executor shall not exercise its discretion in a manner which would cause the loss or reduction of the marital deduction as may be herein provided. In determining the state or federal estate and income tax liabilities of my estate, my Executor shall have discretion to select the valuation date and to determine whether any or all of the allowable administration expenses in my estate shall be used as state or federal estate tax deductions or as state or federal income tax deductions. If my estate plan includes a revocable trust agreement and it contains directions to my Executor, I direct my Executor to follow the directions in such trust agreement.

ITEM X

Appointment of Ancillary Representative. If it becomes necessary for a representative of my estate to qualify in any jurisdiction other than the State of my domicile at the time of my death, then to the extent that I may legally do so, I hereby nominate, constitute, and appoint my Executor named in this Will as my representative in such jurisdiction and direct that such Executor shall serve without bond. If for any reason my Executor is unable or unwilling to serve as such representative or cannot qualify as such representative, then I hereby appoint my Executor named herein to designate (to the extent that it may legally do so) a person or a corporation to serve as my representative and request that such person or corporation shall serve without bond. Any representative named as provided herein (to the extent that it may legally do so) shall have in such jurisdiction all the powers and duties conferred or imposed on my Executor by the provisions of this Will.

ITEM XI

Definition of Children. For purposes of this Will, "children" means the lawful blood descendants in the first degree of the parent designated; and "issue" and "descendants" mean the lawful blood descendants in any degree of the ancestor designated; provided, however, that if a person has been legally adopted prior to the time that such person reaches the age of eighteen (18), that person shall be considered a child of such adopting parent and such adopted child and his or her issue shall be considered as issue of the adopting parent or parents and of anyone

who is by blood or adoption an ancestor of the adopting parent or either of the adopting parents. The terms "child," "children," "issue," "descendant" and "descendants" or those terms preceded by the terms "living" or "then living" shall include the lawful blood descendant in the first degree of the parent designated even though such descendant is born after the death of such parent.

Definition of "Per Stirpes". Whenever property is to be divided "per stirpes," the property to be divided shall be divided into as many equal shares as there are living issue in the nearest degree of kinship to the designated person and deceased issue in the same degree who left issue who survive. Each surviving issue in the nearest degree shall receive one share and the share of each deceased issue in the same degree shall be divided among his or her surviving issue in the same manner.

ITEM XII

Definition of Words Relating to the Internal Revenue Code. As used herein, the words "gross estate," "adjusted gross estate," "taxable estate," "unified credit" ("unified credit" shall also mean "applicable credit amount"), "applicable exclusion amount," "state death tax credit," "maximum marital deduction," "marital deduction," "pass," and any other word or words which from the context in which it or they are used refer to the Internal Revenue Code shall have the same meaning as such words have for the purposes of applying the Internal Revenue Code to my estate. For purposes of this Will, my "available generation-skipping transfer exemption" means the generation-skipping transfer tax exemption provided in section 2631 of the Internal Revenue Code of 1986, as amended, in effect at the time of my death reduced by the aggregate of (1) the amount, if any, of my exemption allocated to lifetime transfers of mine by me or by operation of law, and (2) the amount, if any, I have specifically allocated to other property of my gross estate for federal estate tax purposes. For purposes of this Will if at the time of my death I have made gifts with an inclusion ratio of greater than zero for which the gift tax return due date has not expired (including extensions) and I have not yet filed a return, it shall be deemed that my generation-skipping transfer exemption has been allocated to these transfers to the extent necessary (and possible) to exempt the transfer(s) from generation-skipping transfer tax. Reference to sections of the Internal Revenue Code and to the Internal Revenue Code shall refer to the Internal Revenue Code amended to the date of my death.

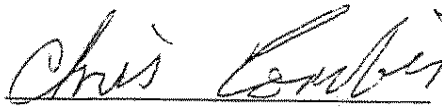
ITEM XIII

Statement by Testator of Intent Not to Exercise Power of Appointment. I hereby refrain from exercising any power of appointment that I may have at the time of my death.

ITEM XIV

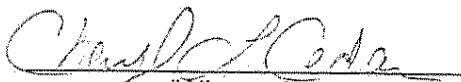
Simultaneous Death Provision Presuming Beneficiary Predeceases Testator.
If any beneficiary and I should die under such circumstances as would make it doubtful whether the beneficiary or I died first, then it shall be conclusively presumed for the purposes of this Will that the beneficiary predeceased me.

Testimonium, Attestation and Self-Proving Affidavit. I, CHRIS COMBIS, the Testator, sign my name to this instrument this 11th day of March, 2003, and being first duly sworn, do hereby declare to the undersigned authority that I sign and execute this instrument as my last will and that I sign it willingly (or willingly direct another to sign for me), that I execute it as my free and voluntary act for the purposes therein expressed, and that I am eighteen years of age or older, of sound mind, and under no constraint or undue influence.


CHRIS COMBIS

We, Paul M. Hattenhauer and Cheryl L. Cedar, the witnesses, sign our names to this instrument, being first duly sworn, and do hereby declare to the undersigned authority that the Testator signs and executes this instrument as his last will and that he signs it willingly (or willingly directs another to sign for him), and that each of us, in the presence and hearing of the Testator, and in the presence of each other, hereby signs this will as witness to the Testator's signing, and that to the best of our knowledge the Testator is eighteen years of age or older, of sound mind, and under no constraint or undue influence.


(Witness)


(Witness)

The State of North Carolina

County of Mecklenburg

Subscribed, sworn to, and acknowledged before me by CHRIS COMBIS, the Testator, and subscribed and sworn to before me by Paul M. Hattenhauer and Cheryl L. Cedar, witnesses, this 11th day of March, 2003.

Louie K. Batchelor (Seal)
Notary Public for North Carolina

My Commission Expires: 7-30-2007

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PLAINTIFF 016

COPY

FIRST AMENDMENT AND RESTATEMENT OF REVOCABLE TRUST AGREEMENT
OF
CHRIS COMBIS

CULP ELLIOTT & CARPENTER, P.L.L.C.
4401 Barclay Downs Drive, Suite 200
Charlotte, North Carolina 28209
(704) 372-6322

Exhibit
A

PLAINTIFF 016

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

FIRST AMENDMENT AND RESTATEMENT
OF REVOCABLE TRUST AGREEMENT OF
CHRIS COMBIS

Introductory Clause. This First Amendment and Restatement of Revocable Trust Agreement of CHRIS COMBIS is made April 21, 2006, between CHRIS COMBIS, hereinafter referred to as the "Settlor," and CHRIS COMBIS, hereinafter referred to as the "Trustee."

WHEREAS, the Settlor and the Trustee entered into a Trust Agreement dated March 11, 2003, hereinafter called the Trust Agreement, and

WHEREAS, CHRIS COMBIS, pursuant to Article I and Article XII of the Trust Agreement does hereby waive the notice provisions of Article XVII of the Trust Agreement and does hereby resign as trustee under such Trust Agreement, and does hereby appoint DIANE COMBIS to serve as Trustee of the Trust Agreement and all trusts created thereunder. DIANE COMBIS shall serve without bond. The Trust Agreement is hereby amended in all respects necessary for DIANE COMBIS to be appointed and to serve as Trustee, and

WHEREAS, Article V of the Trust Agreement provides that the Settlor reserved the right to amend in any manner or revoke in whole or in part the Trust Agreement, and

WHEREAS, the Settlor is desirous of modifying and amending the Trust Agreement and the Trustee is agreeable to the modifications and amendments contained herein,

NOW, THEREFORE, IT IS AGREED that the entire Trust Agreement as modified and amended will read as follows:

ARTICLE I

Trustee Succession Upon the Death of the Settlor. Upon the death of the Settlor, DIANE COMBIS shall continue to serve as Trustee of the Trust Agreement and all trusts created hereunder.

PLAINTIFF 016

ARTICLE II

Description of Property Transferred. The Settlor has paid over, assigned, granted, conveyed, transferred and delivered, unto the Trustee the property described in Schedule A of the Trust Agreement. This property and any other property that may be delivered to the Trustee hereunder or under which the Trustee may be designated as beneficiary, and any other property that may be received or which has been received by the Trustee hereunder, as invested and reinvested (hereinafter referred to as the "Trust Estate"), shall be held, administered and distributed by the Trustee as hereinafter set forth.

ARTICLE III

Rights of Settlor and Trustee in Insurance Policies. Upon the prior written consent of the Trustee, during the Settlor's lifetime, the Settlor shall have all rights under any life insurance policies held by the Trustee, including the right to change the beneficiary, to receive any dividends or other earnings of such policies without accountability therefor to the Trustee or any beneficiary hereunder, and may assign any policies to any lender, including the Trustee, as security for any loan to the Settlor or any other person; and the Trustee shall have no responsibility with respect to any policies, for the payment of premiums or otherwise, except to hold any policies received by the Trustee in safekeeping and to deliver them upon the Settlor's written request, after the Settlor has obtained the Trustee's written consent, and upon the payment to the Trustee of reasonable compensation for services. The rights of any assignee of any policy shall be superior to the rights of the Trustee. If any policy is surrendered or if the beneficiary of any policy is changed, this trust shall be revoked with respect to such policy. However, no revocation of the trust with respect to any policy, whether pursuant to the provisions of the preceding sentence or otherwise, shall be effective unless the surrender or change in beneficiary of the policy is accepted by the insurance company. Upon the death of the insured under any policy held by or known to, and payable to, the Trustee, or upon the occurrence of some event prior to the death of the Settlor that matures any such policy, the Trustee, in its discretion, either may collect the net proceeds and hold them as part of the principal of the Trust Estate, or may exercise any optional method of settlement available to it, and the Trustee shall deliver any policies on the Settlor's life held by it and payable to any other beneficiaries as those beneficiaries may direct. Payment to, and the receipt of, the Trustee shall be a full discharge of the liability of any insurance company, which need not take notice of this agreement or see to the application of any payment. The Trustee need not engage in litigation to enforce payment of any policy without indemnification satisfactory to it for any resulting expenses.

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ARTICLE IV

Provisions for Settlor and Settlor's Children During Settlor's Lifetime. The Trustee shall hold, manage, invest and reinvest the Trust Estate (if any requires such management and investment) and shall collect the income, if any, therefrom and shall dispose of the net income and principal as follows:

(1) During the lifetime of the Settlor, the Trustee may pay to or apply for the benefit of the Settlor some, none or all of the net income from this Trust. Any income not distributed shall be accumulated and added to principal at least annually.

(2) During the lifetime of the Settlor, the Trustee may pay to or apply for the benefit of the Settlor some, none or all of the principal of this Trust.

(3) In the event that the Settlor is adjudicated to be incompetent or in the event that the Settlor is not adjudicated incompetent, but by reason of illness or mental or physical disability is, in the opinion of two licensed physicians, unable to properly handle the Settlor's own affairs, then and in that event the Trustee may during the Settlor's lifetime, in addition to the payments of income and principal for the benefit of the Settlor:

(a) pay to or apply for the benefit of any one or more of the Settlor's children such sums from the net income and from the principal of this Trust as in its sole discretion shall be necessary or advisable from time to time for the health, education, support and maintenance in the accustomed manner of living of the Settlor's children, taking into consideration to the extent the Trustee deems advisable, any other income or resources of the Settlor's children taking into consideration to the extent the Trustee deems advisable, any other income or resources of the Settlor's children known to the Trustee; and

(b) pay to or apply for the benefit of the Settlor's children, grandchildren and/or more remote issue, or to trusts for the benefit of such children, grandchildren and/or more remote issue such sums from the net income and from the principal of this Trust as the Trustee in its discretion shall select for the purpose of making gifts; provided, however, that the aggregate amount of gifts made in any one calendar year that the Trustee may make to himself or herself or to satisfy a legal obligation of himself or herself shall not exceed, at the time of the gift, the amount that may be excluded from gift tax by the federal gift tax annual exclusion (unless the Settlor's spouse, if any, has agreed to consent to "gift splitting" under Section 2513 of the Internal Revenue Code in which case such gifts shall not exceed the amount that may be excluded from the federal gift tax by the federal gift tax annual exclusions available to the Settlor and the Settlor's

spouse) and this annual right shall be noncumulative and shall lapse at the end of each calendar year.

(4) During the lifetime of the Settlor, the Trustee may pay to any attorney-in-fact of the Settlor serving under a validly executed and effective power of attorney such sums from the income and/or principal of this Trust as is requested by such attorney-in-fact of the Settlor for the purpose of making gifts pursuant to such power of attorney.

ARTICLE V

Settlor's Rights to Amend, Change or Revoke the Trust Agreement. Upon the prior written consent of the Trustee, the Settlor may, by signed instruments evidencing the Trustee's consent and delivered to the Trustee during the Settlor's life: (1) withdraw property from this Trust in any amount and at any time upon giving reasonable notice in writing to the Trustee; (2) add other property to the Trust; (3) change the beneficiaries, their respective shares and the plan of distribution; (4) amend this Trust Agreement in any other respect; (5) revoke this Trust in its entirety or any provision therein; provided, however, the duties or responsibilities of the Trustee shall not be enlarged without satisfactory adjustment of the Trustee's compensation.

ARTICLE VI

Discretionary Provisions for Trustee to Deal with Settlor's Estate and Make Payment of Debts and Taxes. After the Settlor's death, the Trustee, if in its discretion it deems it advisable, may pay all or any part of the Settlor's funeral expenses, legally enforceable claims against the Settlor or the Settlor's estate, reasonable expenses of administration of the Settlor's estate, any allowances by court order to those dependent upon the Settlor, any estate, inheritance, succession, death or similar taxes payable by reason of the Settlor's death, together with any interest thereon or other additions thereto, without reimbursement from the Settlor's executors or administrators, from any beneficiary of insurance upon the Settlor's life, or from any other person. Any such payments of estate, inheritance, succession, death or similar taxes (except generation-skipping transfer taxes) shall be charged against the principal of the remaining Trust Estate distributed under Article VIII and any interest so paid shall be charged against the income thereof. If such share or trust was created as a fraction, then such taxes thus paid shall reduce the numerator of that share or trust and the Trust Estate, thus likewise reducing the denominator of the fraction. The Trustee may make such payments directly or may pay over the amounts thereof to the executors or administrators of the Settlor's estate. Written statements by the executors or administrators of such sums due and payable by the estate shall be sufficient evidence of their amount and propriety for the protection of the Trustee.

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and the Trustee shall be under no duty to see to the application of any such payments. The Trustee shall pay over to the executors or administrators of the Settlor's estate all obligations of the United States Government held hereunder which may be redeemed at par in payment of federal estate taxes.

ARTICLE VII

Specific Distributions. Upon the death of the Settlor, the Trustee shall make the following distributions:

- (1) Cash Distribution. The sum of Five Thousand Dollars and No Cents (\$5,000.00) shall be distributed to LINDA COMBIS, if she shall survive the Settlor.
- (2) Cash Distribution. The sum of Five Thousand Dollars and No Cents (\$5,000.00) shall be distributed to MARY COMBIS, if she shall survive the Settlor.
- (3) Cash Distribution. The sum of Five Thousand Dollars and No Cents (\$5,000.00) shall be distributed to GEORGE C. COMBIS, if he shall survive the Settlor.
- (4) Cash Distribution. The sum of Twenty Thousand Dollars and No Cents (\$20,000.00) shall be distributed to HELEN KOKLAS, if she shall survive the Settlor. The Trustee shall make \$5,000.00 yearly distributions (without interest) of this amount to HELEN KOKLAS. If HELEN KOKLAS shall die before all yearly distributions are made, the undistributed amount shall be distributed as provided in Article VIII.
- (5) Cash Distribution. The sum of Ten Thousand Dollars and No Cents (\$10,000.00) shall be distributed to JULIE QUILL, if she shall survive the Settlor.
- (6) Cash Distribution. The sum of Ten Thousand Dollars and No Cents (\$10,000.00) shall be distributed to CHRIS A. COMBIS, if he shall survive the Settlor.
- (7) Specific Distribution of Tangible Personal Property. The Settlor's Rolex watch shall be conveyed to CHRIS A. COMBIS, if he shall survive the Settlor.
- (8) Specific Distribution of Sales Proceeds. The Trustee shall sell any vehicle(s) owned by the Settlor at death and distribute the net sales proceeds in equal shares to the Settlor's great grandchildren, on the condition that the funds be used for educational expenses. The Trustee may satisfy its obligation under this paragraph by distributing such funds outright to the Settlor's great grandchildren if they are over the age of 18 or to a custodial account for the benefit of such great grandchildren if they are under the age of 18.

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(9) Specific Distribution of Stock. All shares of stock of SUPERIOR TILE, MARBLE & TERRAZZO, INC. or of any successor or resulting corporation of such corporation which is a part of the Settlor's Trust Estate shall be distributed to GEORGE C. COMBIS, if he shall survive the Settlor.

(10) Specific Distribution of Personal Property. The Trustee's interest in any tangible personal property (unless such property has been disposed of pursuant to a foregoing provision of this Article) and any cash or currency held in the fire safe located at the residence of GEORGE and DIANE COMBIS shall be conveyed to DIANE COMBIS, if she shall survive the Settlor. If she shall not survive the Settlor all such property shall be distributed to GEORGE C. COMBIS, if he shall survive the Settlor.

(11) General Distribution of Personal and Household Effects With a Precatory Memorandum. All the Settlor's remaining personal and household effects of every kind including but not limited to furniture, appliances, furnishings, pictures, silverware, china, glass, books, jewelry, wearing apparel, boats, automobiles, and other vehicles, and all policies of fire, burglary, property damage, and other insurance on or in connection with the use of this property, shall be distributed to the Settlor's children surviving the Settlor, in approximately equal shares; provided, however, the issue of a deceased child surviving the Settlor shall take per stirpes the share their parent would have taken had he or she survived the Settlor. If the Settlor's issue do not agree to the division of the property among themselves, the Trustee shall make such division among them, the decision of the Trustee to be in all respects binding upon the Settlor's issue. The Settlor requests that the Trustee and the Settlor's issue abide by any memorandum by the Settlor directing the disposition of this property or any part thereof. This request is precatory and not mandatory. If any beneficiary hereunder is a minor, the Trustee may distribute such minor's share to such minor or for such minor's use to any person with whom such minor is residing or who has the care or control of such minor without further responsibility and the receipt of the person to whom it is distributed shall be a complete discharge of the Trustee. The cost of packing and shipping such property shall be charged as an expense of administration.

(12) Definition of Trust Estate. As used in this Trust Agreement, the words "Trust Estate" shall mean the entire Trust Estate minus the specific distributions under this Article.

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ARTICLE VIII

Trusts for Children. The remaining Trust Estate shall be administered as provided in this Article:

(1) Division into Shares for Several Named Beneficiaries. Upon the Settlor's death, the Trustee shall divide the Trust Estate as then constituted into equal separate shares so as to provide One (1) share for each of the following who shall survive the Settlor: MARY COMBIS, LINDA COMBIS, and GEORGE C. COMBIS, (hereafter called singularly "named beneficiary" and collectively "named beneficiaries") and One (1) share for each deceased named beneficiary who shall leave issue surviving the Settlor. If the Settlor's daughter, MARY COMBIS, shall survive the Settlor, her equal share shall be funded to the largest extent possible with the Trustee's interest in the real property located at 718 Lochridge Road, Charlotte, North Carolina. If the Settlor's daughter, LINDA COMBIS, shall survive the Settlor, her equal share shall be funded to the largest extent possible with the Trustee's interest in the real property located at 9313 Horseshoe Circle, Fort Mill, South Carolina. It is the Settlor's intent that each share created hereunder shall be funded with assets of equal value.

(2) Discretionary Income and/or Principal for Named Beneficiary and Named Beneficiary's Issue. Prior to final distribution hereunder, the Trustee in its discretion may distribute some, none or all of the income and principal of the named beneficiary's share to or for the benefit of any one or more of a group consisting of the named beneficiary and the named beneficiary's issue (if any) in such amounts and at such times as the Trustee in its discretion determines for the health, education, support and maintenance in the accustomed manner of living of the named beneficiary and/or the named beneficiary's issue (if any), taking into consideration to the extent the Trustee deems advisable, any other income or resources of the named beneficiary and/or the named beneficiary's issue (if any), known to the Trustee. Any income not distributed shall be accumulated and added to principal annually. Notwithstanding the foregoing, during the named beneficiary's lifetime the named beneficiary shall be the primary beneficiary of the named beneficiary's share and such named beneficiary's health, education, support and maintenance in the accustomed manner of living shall be regarded as primary and the interests of concurrent, succeeding or remainder beneficiaries shall be regarded as secondary. Additionally, the Trustee shall make no distribution of income or principal to the named beneficiary's issue (if any) without first consulting with the named beneficiary (as the parent or grandparent of such issue) as to the propriety or appropriateness of such distribution; provided, however, the named beneficiary shall have no power to prevent the Trustee from making a discretionary distribution to another beneficiary.

(3) Power of Appointment in Named Beneficiary. After division into shares for named beneficiaries, upon the death of a named beneficiary prior to complete distribution of his or her share, the undistributed balance of the named beneficiary's share shall be paid over, conveyed and distributed to or in trust for such appointee or appointees from among the Settlor's issue, other than directly or indirectly, the named beneficiary, the named beneficiary's estate, the named beneficiary's creditors, creditors of the named beneficiary's estate or any entity in which any of the foregoing have a direct or indirect interest, in such manner and in such proportions as the named beneficiary may appoint in and by the Last Will of the named beneficiary, making specific reference to the power of appointment herein conferred. In disposing of this share, the Trustee shall be protected in relying upon an instrument admitted to probate in any jurisdiction as the Last Will of the named beneficiary or in acting upon the assumption that the named beneficiary died intestate in case the Trustee has no notice of the existence of a Will of the named beneficiary within Six (6) months after the death of the named beneficiary.

(4) Default Distribution. In default of the exercise of this power of appointment by the named beneficiary, or insofar as any part of the named beneficiary's share shall not be effectively appointed, then upon the death of the named beneficiary the undistributed balance of the named beneficiary's share, or the part of the share not effectively appointed, shall be distributed as follows:

(a) the share, if any, created for the benefit of GEORGE C. COMBIS shall be distributed to his then living issue, per stirpes.

(b) the share, if any, created for the benefit of MARY COMBIS shall be distributed to the separate trust created hereunder for the benefit of LINDA COMBIS, is she is then living, and held pursuant to the terms of such separate trust, and if LINDA COMBIS is not then living such share shall be distributed to the then living issue of GEORGE C. COMBIS, per stirpes.

(c) the share, if any, created for the benefit of LINDA COMBIS shall be distributed to the separate trust created hereunder for the benefit of MARY COMBIS, is she is then living, and held pursuant to the terms of such separate trust, and if MARY COMBIS is not then living such share shall be distributed to the then living issue of GEORGE C. COMBIS, per stirpes.

(5) Distribution of a Deceased Named Beneficiary's Share. Each share set aside, upon division into shares for the named beneficiaries, for a deceased named beneficiary who shall leave issue then living, shall be distributed per stirpes to such issue.

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(6) Final Distribution if Named Beneficiaries Deceased. If at the time of the Settlor's death, or at any later time prior to final distribution hereunder, all of the named beneficiaries and their issue are deceased and no other disposition of the property is directed by this Trust, then and in that event the then remaining property of this Trust shall be distributed to the person or persons who would have been entitled to the same under the laws providing for the distribution of property in case of intestacy had the Settlor died intestate at that time, was the owner of such property, was unmarried and domiciled in North Carolina.

ARTICLE IX

(1) Definition of "Trustee". Whenever the word "Trustee" or any modifying or substituted pronoun therefor is used in this Trust, such words and respective pronouns shall include both the singular and the plural, the masculine, feminine and neuter gender thereof, and shall apply equally to the Trustee named herein and to any successor or substitute Trustee acting hereunder, and such successor or substitute Trustee shall have all the rights, powers and duties, authority and responsibility conferred upon the Trustee originally named herein.

(2) Definition of "Independent Trustee". Independent Trustee shall mean an individual Trustee who is not a beneficiary of any trust created hereunder, who is unrelated (by blood or marriage) within two degrees of kinship to the Settlor or any beneficiary of a trust created hereunder and who is not "related or subordinate" as such terms are defined in Section 672(c) of the Code. Independent Trustee shall also mean a bank or trust company qualified to do business in the jurisdiction of the situs of the trust so long as a beneficiary or relative as specified above owns no more than One Percent (1%) of such entity. A person or entity shall not qualify to be an Independent Trustee if such person or entity has previously been removed as Independent Trustee.

(3) "Definition of Family Trustee". Family Trustee shall mean a Trustee who is a beneficiary of any trust created hereunder and any person related to a beneficiary or the Settlor by blood or marriage within two degrees of kinship.

ARTICLE X

Powers for Trustee. The Trustee is authorized in its fiduciary discretion (which shall be subject to the standard of reasonableness and good faith to all beneficiaries) with respect to any property at any time held under any provision of this Trust Agreement and without authorization by any court and in addition to any other rights, powers, authority and privileges granted by any other provision of this Trust Agreement or by statute or general rules of law:

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(1) To retain in the form received any property or undivided interests in property donated to, or otherwise acquired as a part of the Trust Estate, including residential property and shares of the Trustee's own stock, regardless of any lack of diversification, risk or nonproductivity, as long as it deems advisable, and to exchange any such security or property for other securities or properties and to retain such items received in exchange, although said property represents a large percentage of the total property of the Trust Estate or even the entirety thereof.

(2) To invest and reinvest all or any part of the Trust Estate in any property and undivided interests in property, wherever located, including bonds, debentures, notes, secured or unsecured, stocks of corporations regardless of class, interests in limited partnerships, real estate or any interest in real estate whether or not productive at the time of investment, interests in trusts, investment trusts, whether of the open and/or closed fund types, and participation in common, collective or pooled trust funds of the Trustee, insurance contracts on the life of any beneficiary or annuity contracts for any beneficiary, without being limited by any statute or rule of law concerning investments by fiduciaries.

(3) To sell or dispose of or grant options to purchase any property, real or personal, constituting a part of the Trust Estate, for cash or upon credit, to exchange any property of the Trust Estate for other property, at such times and upon such terms and conditions as it may deem best, and no person dealing with it shall be bound to see to the application of any monies paid.

(4) To hold any securities or other property in its own name as Trustee, in its own name, in the name of a nominee (with or without disclosure of any fiduciary relationship) or in bearer form.

(5) To keep, at any time and from time to time, all or any portion of the Trust Estate in cash and uninvested for such period or periods of time as it may deem advisable, without liability for any loss in income by reason thereof.

(6) To sell or exercise stock subscription or conversion rights.

(7) To refrain from voting or to vote shares of stock which are a part of the Trust Estate at shareholders' meetings in person or by special, limited, or general proxy and in general to exercise all the rights, powers and privileges of an owner in respect to any securities constituting a part of the Trust Estate.

(8) To participate in any plan of reorganization or consolidation or merger involving any company or companies whose stock or other securities shall be part of the Trust Estate, and to deposit such stock or other securities under any plan of reorganization or with any protective committee and to delegate to such committee discretionary power with relation thereto, to pay a proportionate part of the

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expenses of such committee and any assessments levied under any such plan, to accept and retain new securities received by the Trustee pursuant to any such plan, to exercise all conversion, subscription, voting and other rights, of whatsoever nature pertaining to such property, and to pay any amount or amounts of money as it may deem advisable in connection therewith.

(9) To enter for any purpose into a lease as lessor or lessee with or without option to purchase or renew for a term within or extending beyond the term of the trust.

(10) To borrow money and to encumber, mortgage or pledge any asset of the Trust Estate for a term within or extending beyond the term of the trust, in connection with the exercise of any power vested in the Trustee.

(11) To subdivide, develop, or dedicate real property to public use or to make or obtain the vacation of plats and adjust boundaries, to adjust differences in valuation on exchange or partition by giving or receiving consideration, and to dedicate easements to public use without consideration.

(12) To make ordinary or extraordinary repairs or alterations in buildings or other structures, to demolish any improvements, to raze existing or erect new party walls or buildings.

(13) To continue and operate any business owned by the Settlor at the Settlor's death and to do any and all things deemed needful or appropriate by the Trustee, including the power to incorporate the business and to put additional capital into the business, for such time as it shall deem advisable, without liability for loss resulting from the continuance or operation of the business except for its own negligence; and to close out, liquidate or sell the business at such time and upon such terms as it shall deem best.

(14) To collect, receive, and receipt for rents, issues, profits, and income of the Trust Estate.

(15) To insure the assets of the Trust Estate against damage or loss and the Trustee against liability with respect to third persons.

(16) In buying and selling assets, in lending and borrowing money, and in all other transactions, irrespective of the occupancy by the same person of dual positions, to deal with itself in its separate, or any fiduciary capacity.

(17) To compromise, adjust, arbitrate, sue on or defend, abandon, or otherwise deal with and settle claims in favor of or against the Trust Estate as the Trustee shall deem best.

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(18) To employ and compensate agents, accountants, investment advisers, brokers, attorneys-in-fact, attorneys-at-law, tax specialists, realtors, and other assistants and advisors deemed by the Trustee needful for the proper administration of the Trust Estate, and to do so without liability for any neglect, omission, misconduct, or default of any such agent or professional representative provided such person was selected and retained with reasonable care.

(19) To determine what shall be fairly and equitably charged or credited to income and what to principal.

(20) To hold and retain the principal of the Trust Estate undivided until actual division shall become necessary in order to make distributions; to hold, manage, invest, and account for the several shares or parts thereof by appropriate entries on the Trustee's books of account; and to allocate to each share or part of share its proportionate part of all receipts and expenses; provided, however, the carrying of several trusts as one shall not defer the vesting in title or in possession of any share or part of share thereof.

(21) To make payment in cash or in kind, or partly in cash and partly in kind upon any division or distribution of the Trust Estate (including the satisfaction of any pecuniary distribution) without regard to the income tax basis of any specific property allocated to any beneficiary and to value and appraise any asset and to distribute such asset in kind at its appraised value; and when dividing fractional interests in property among several beneficiaries to allocate entire interests in some property to one beneficiary and entire interests in other property to another beneficiary or beneficiaries. Whenever such division or distribution of the Trust Estate will result in the residual transfer of property after the satisfaction of a pecuniary payment, such pecuniary payment shall carry appropriate interest. Appropriate interest means interest payable from the date of the Settlor's death or from the date specified under applicable state law requiring payment of interest at a rate (i) at least equal to the statutory rate of interest under state law, or if there is none, eighty percent (80%) of the Code section 7520 interest rate at the date of the Settlor's death and (ii) not more than the greater of the statutory rate under state law, or if there is none, one-hundred-twenty percent (120%) of the Code section 7520 interest rate at the date of the Settlor's death.

(22) In general, to exercise all powers in the management of the Trust Estate which any individual could exercise in his or her own right, upon such terms and conditions as it may reasonably deem best, and to do all acts which it may deem reasonably necessary or proper to carry out the purposes of this Trust Agreement.

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(23) To purchase property, real or personal, from the Settlor's general estate upon such terms and conditions as to price and terms of payment as the Settlor's executors or administrators and the Trustee shall agree, to hold the property so purchased as a part of the Trust Estate although it may not qualify as an authorized trust investment except for this provision, and to dispose of such property as and when the Trustee shall deem advisable. The fact that the Settlor's executors or administrators and the Trustee are the same shall in no way affect the validity of this provision.

(24) To lend funds to the Settlor's general estate upon such terms and conditions as to interest rates, maturities, and security as the Settlor's executors or administrators and the Trustee shall agree, the fact that they may be the same in no way affecting the validity of this provision.

(25) To receive property bequeathed, devised or donated to the Trustee by the Settlor or any other person; to receive the proceeds of any insurance policy which names the Trustee as beneficiary; to execute all necessary receipts and releases to Executors, donors, insurance companies and other parties adding property to the Trust Estate.

(26) To combine assets of two or more trusts if the provisions and terms of each trust are substantially identical, and to administer them as a single trust, if the Trustee reasonably determines that the administration as a single trust is consistent with the Settlor's intent, and facilitates the trust's administration without defeating or impairing the interests of the beneficiaries.

(27) To divide any trust into separate shares or separate trusts or to create separate trusts if the Trustee reasonably deems it appropriate and the division or creation is consistent with the Settlor's intent, and facilitates the trust's administration without defeating or impairing the interests of the beneficiaries. Further, the donee of any power of appointment with respect to a trust so divided may exercise such power differently with respect to the separate trusts created by the division. The Settlor exonerates the Trustee from any liability arising from any exercise or failure to exercise these powers, provided the actions (or inactions) of the Trustee are taken in good faith. In addition, the Independent Trustee of any trust created hereunder shall have the power, without court order or approval, to create a sub-trust of such trust in any jurisdiction for the benefit of the beneficiary or beneficiaries of such trust. Any such sub-trust shall be substantially identical to the trust to which it is a sub-trust and shall have identical beneficiaries with identical interests to their interests in the original trust.

(28) To divide property in any trust being held hereunder with an inclusion ratio, as defined in Section 2642(a)(1) of the Internal Revenue Code of 1986, as from time to time amended or under similar future legislation, of neither one nor

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zero into two separate trusts representing two fractional shares of the property being divided, one to have an inclusion ratio of one and the other to have an inclusion ratio of zero, to create trusts to receive property with an inclusion ratio of either one or zero and if this cannot be done to refuse to accept property which does not have a matching inclusion ratio to the receiving trust's ratio, all as the Trustee in its sole discretion deems best. Whenever such division or distribution of the Trust Estate will result in the residual transfer of property after the satisfaction of a pecuniary payment, such pecuniary payment shall carry appropriate interest. Appropriate interest means interest payable from the date of the Settlor's death or from the date specified under applicable state law requiring payment of interest at a rate (i) at least equal to the statutory rate of interest under state law, or if there is none, eighty percent (80%) of the Code section 7520 interest rate at the date of the Settlor's death and (ii) not more than the greater of the statutory rate under state law, or if there is none, one-hundred-twenty percent (120%) of the Code section 7520 interest rate at the date of the Settlor's death.

(29) If the Trustee shall act as the Executor of the Settlor's estate, to elect to allocate any portion or all the Settlor's generation-skipping transfer exemption provided for in Code Section 2631 or under similar future legislation, in effect at the time of the Settlor's death, to any portion or all of any other trusts or bequests in the Settlor's Will or any other transfer which the Settlor is the transferor for purposes of the generation-skipping tax.

ARTICLE XI

Trustee Resignation, Trustee Succession, Trustee Fees and Other Matters. The provisions for Trustee resignation, Trustee succession, Trustee fees and other matters are set forth below:

(1) Resignation of Trustee. Except as otherwise provided in this Trust Agreement the Trustee shall have the right to resign at any time without court order by giving written notice to the person or persons designated below who are authorized to appoint a successor Trustee. Such resignation shall become effective upon acceptance of the Trusteeship by a successor Trustee.

(2) Successor Trustee. The Settlor hereby directs that each trust created hereunder may, but need not, have a different Trustee. If the Trustee as initial Trustee, or a successor Trustee, resigns or otherwise becomes unable or unwilling to serve, or if no Trustee is currently serving because an Trustee was not initially named in this Trust, then an initial or successor Trustee may be appointed by the next listed of the following persons in the order named (provided that a succeeding person(s) listed may not make such appointment unless the preceding person(s) is unable to make such appointment):

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(a) DIANE COMBIS, who is authorized to appoint herself as a Trustee hereunder;

(b) GEORGE C. COMBIS, who is authorized to appoint himself as a Trustee hereunder;

(c) LINDA COMBIS, with respect to the separate trust created hereunder for the benefit of MARY COMBIS, who is authorized to appoint herself as a Trustee hereunder;

(d) the primary beneficiary of such trust (other than MARY COMBIS), or if there is no primary beneficiary then a majority of the beneficiaries to whom the income of a trust could then be paid, who are not authorized to appoint themselves as a Trustee hereunder. If a beneficiary is a minor or incapacitated or not competent, the vote on his or her behalf may be made by a person (other than the Settlor, or a person who has made a transfer to the trust) who is (i) the guardian of the beneficiary's estate or, if none, (ii) the guardian of the person of the beneficiary; or

(e) a court of competent jurisdiction.

Notwithstanding the foregoing, one or more beneficiaries shall not have a right to select a successor Trustee if the exercise of such power, at the time of exercise, would cause the trust corpus to be included in the estates of one or more of such beneficiaries.

(3) Beneficiaries' Right to Petition for Removal of Corporate Trustee. In the event that a corporate Trustee is appointed, and such Trustee's investment performance for investable funds is below average performance of professional investment managers for a sustained period of time which shall in no event be construed to exceed Three (3) years, the then income beneficiaries of each separate trust excluding the Settlor, shall have the right, as a group, acting unanimously, to petition for removal of such corporate Trustee in a court of competent jurisdiction, and to recommend to the court in such petition a successor Trustee. In evaluating the petition, the court should construe the Settlor's intentions to provide not merely a preservation of the Trust assets but also for adequate growth such as is available from a corporate Trustee doing business in the state of the Trust situs having above-average investment performance. The Settlor does not intend by this provision in any way to limit the rights or remedies which a beneficiary may have regarding a Trustee generally under this Agreement or state law nor does the Settlor intend to increase the Trustee's liabilities generally under this Agreement or under state law. If a beneficiary is a minor or incapacitated or not competent, the vote on his or her behalf may be made by a person (other than the Settlor, or a person who has made a transfer to the Trust).

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who is (i) the guardian of the beneficiary's estate or, if none, (ii) the guardian of the person of the beneficiary.

(4) Instrument Effecting Appointment. The appointment of any successor Trustee shall be effected by an instrument which has been signed by the person or persons having the right of such appointment and by the successor Trustee in acceptance of the appointment and which has been delivered to the then acting Trustee, if any.

(5) Transfer of Trust Property to a Nonresident Trustee. If a nonresident successor Trustee is appointed, the Trust property may be transferred without court order to the nonresident successor Trustee or such other entity as the nonresident successor Trustee may direct. It is the Settlor's understanding that the separate trusts created hereunder may be held by different Trustees and administered independently in different states.

(6) Powers of Successor Trustee. Any successor or substitute Trustee may exercise all the powers and authority conferred upon the original Trustee, including the right to resign, and shall not be liable for any acts or omissions of any predecessor Trustee.

(7) Family Trustee and Independent Trustee as Co-Trustees. Whenever a Family Trustee and an Independent Trustee are acting as Co-Trustees under this Trust instrument, the following provisions shall apply:

(a) Decision of Family Trustee to Control Upon Disagreement. If there is any disagreement between Co-Trustees as to the joint or mutual powers given to them concerning investments of Trust property, including the exercise of any voting rights with respect to business interests held by any trust created under this Trust Agreement, the decision of the Family Trustee shall control. The Independent Trustee shall not be liable for any act or omission to act on the part of the Family Trustee not joined in by the Independent Trustee regarding those matters with respect to which the decision of the Family Trustee controls.

(b) Family Trustee's Power of Delegation. The Family Trustee shall have the power without court order at any time and from time to time to delegate to the Independent Trustee any or all of the Family Trustee's powers as Co-Trustee. The power of delegation shall be exercised by the Family Trustee by delivery to the Independent Trustee of written notice specifying the powers delegated. Such delegation shall remain effective for the time specified in the notice of delegation. The Family Trustee shall not be liable with respect to the exercise or nonexercise of powers delegated during the period of such delegation.