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*[Signature]*

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

Probate Department

JEFFREY E. STAHLEY, Trustee of the Jack L.  
Stahley Trust Dated June 28, 2011,

Petitioner,

and

BRENT J. PARRIES, CATHY A. RIES, JILL  
L. RYLANDER, JEFFREY E. STAHLEY, and  
JOY M. STAHLEY, Individual Oregon  
Residents; HAWAII COMMUNITY  
FOUNDATION, a Hawaii Non-Profit  
Corporation; and ELLEN E. ROSENBLUM,  
Oregon Attorney General,

Respondents.

Case No. CV 13-04-0177

PETITION FOR DECLARATORY  
JUDGMENT CONCERNING TRUST

(ORS 28.040)

Pursuant to ORS 28.040, Petitioner seeks a declaratory judgment concerning a trust  
and alleges as follows:

1.

Petitioner is the trustee of the Jack L. Stahley Trust dated June 28, 2011 (the  
"Trust"). A copy of the trust agreement is attached hereto as Exhibit A and incorporated  
herein by reference (the "Trust Agreement").

2.

Petitioner is also the son of the deceased settlor, Jack L. Stahley (the "Elder Mr.  
Stahley"), and a remainder beneficiary of the Trust.

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3.

Respondents Brent J. Parries, Cathy A. Ries, Jill L. Rylander, Jeffrey E. Stahley, and Joy M. Stahley are all individual Oregon residents and remainder beneficiaries of the Trust. Article IV, Paragraph A of the Trust Agreement states that these individuals are collectively entitled to 50% of the remainder of the Trust assets. *See* p. 3 of the Trust Agreement.

4.

Respondent Hawai'i Community Foundation is a Hawaii non-profit corporation and a remainder beneficiary of the Trust. Article IV, Paragraph A of the Trust Agreement states that this corporation is entitled to 50% of the remainder of the Trust assets. *See* p. 3 of the Trust Agreement.

5.

Respondent Ellen F. Rosenblum is Oregon's Attorney General and is named as a respondent pursuant to ORS 130.170(4) because the Hawai'i Community Foundation is admittedly an organization formed for "the relief of poverty, the advancement of education or religion, the promotion of health, governmental or municipal purposes, or other purposes beneficial to the community." ORS 130.170(1).

6.

Although the Trust has other beneficiaries who are not named as parties in this petition, they are not necessary parties as their interests are not affected by the requested action or relief. *See* ORS 130.035(4)(a). These other beneficiaries are to receive specific monetary gifts, and, regardless of the outcome of this proceeding, the Trust has more than enough assets to satisfy the bequests to these other beneficiaries. *See* p. 3 of the Trust Agreement.

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1 7.

2 The Elder Mr. Stahley was a resident of the state of Hawaii and executed the Trust  
3 Agreement in the state of Hawaii on June 28, 2011. The Elder Mr. Stahley died on or about  
4 January 27, 2012.

5 8.

6 The Hawaii attorney who prepared the Trust Agreement and notarized the signature  
7 of the Elder Mr. Stahley was Nancy J. Budd ("Ms. Budd").

8 9.

9 Ms. Budd is not only a member of the Hawaii State Board of Education and director  
10 of the Hawaii Justice Foundation, she is also a member of the Kauai Leadership Council of  
11 the Hawai'i Community Foundation.

12 10.

13 At the time Ms. Budd prepared the Trust Agreement, and at the time the Elder Mr.  
14 Stahley executed the Trust Agreement, Ms. Budd was also a member of the Hawai'i  
15 Community Foundation.

16 11.

17 At the time the Elder Mr. Stahley executed the Trust Agreement that Ms. Budd had  
18 prepared, he was 75 years of age, alone, and in declining health. Indeed, he died just several  
19 months later.

20 12.

21 At the time the Elder Mr. Stahley executed the Trust Agreement that Ms. Budd had  
22 prepared, he was susceptible to the undue influence of others, including Ms. Budd, with  
23 whom he had a confidential, fiduciary relationship.

24 ///

13.

Prior to making his remainder gift to the Hawai'i Community Foundation, the Elder Mr. Stahley never mentioned the Hawai'i Community Foundation to his long-time tax preparer, Virgil Meads, and he never made any charitable contributions to it during his lifetime. Neither did the Elder Mr. Stahley's now deceased wife, Betty. Furthermore, the Elder Mr. Stahley never mentioned the Hawai'i Community Foundation to his children, step-children, friends, or long-time financial advisor.

14.

Petitioner seeks a declaratory judgment from this Court, pursuant to ORS 28.040, that the 50% remainder gift to Hawai'i Community Foundation is void on the grounds of undue influence. *See* ORS 130.175. *See also In re Reddaway's Estate*, 214 Or 410, 329 P2d 886 (1958).

15.

Petitioner also seeks a declaratory judgment that the power granted to Hawai'i Community Foundation to nominate a successor trustee under Article VII, Paragraph B2 of the Trust Agreement is likewise void on the grounds of undue influence. *See* p. 8 of the Trust Agreement.

16.

On June 15, 2012, after due notice and pursuant to ORS 130.022, Petitioner, as trustee of the Trust, transferred the principal place of administration of the Trust to Clackamas County, Oregon.

17.

Pursuant to ORS 130.055, this Court has jurisdiction over the trustee and the beneficiaries named as parties in this proceeding.



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18.

Pursuant to ORS 130.065, this Court has subject matter jurisdiction in this proceeding.

19.

Pursuant to ORS 130.065(1), Clackamas County, Oregon is the proper venue for a judicial proceeding involving the Trust.

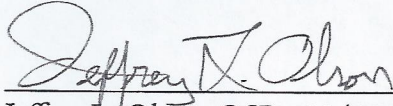
20.

If this matter is contested, Petitioner requests, on behalf of the Trust, an award of his costs and expenses and reasonable attorney's fees, pursuant to ORS 130.815, to be paid by the contestants.

WHEREFORE, Petitioner prays for relief as follows:

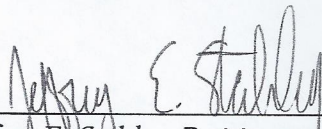
1. For a declaratory judgment that the 50% remainder gift to Hawai'i Community Foundation is void on the grounds of undue influence;
2. For a declaratory judgment that the power granted to Hawai'i Community Foundation to nominate a successor trustee is likewise void on the grounds of undue influence;
3. For Petitioner's costs and expenses and reasonable attorney's fees, pursuant to ORS 130.815, if this matter is contested, to be paid by the contestants to the Trust; and
4. For such other relief as the Court deems just and proper.

DATED April 4, 2013.

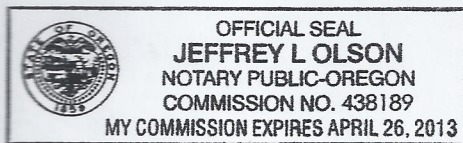
  
\_\_\_\_\_  
Jeffrey L. Olson, OSB #924188  
Attorney for Petitioner

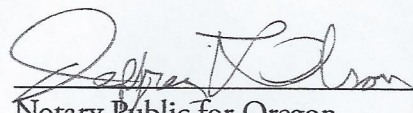
1 STATE OF OREGON )  
2 County of Clackamas ) ss.

3 I, Jeffrey E. Stahley, Petitioner and trustee of the Jack L. Stahley Trust dated June 28,  
4 2011, do hereby swear that I have read the foregoing petition and that the statements  
5 contained therein are true and complete to the best of my knowledge, information, and  
6 belief.

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8   
9 Jeffrey E. Stahley, Petitioner and Trustee

10 SUBSCRIBED AND SWORN TO before me on April 4, 2013.



13   
14 Notary Public for Oregon  
15 My commission expires April 26, 2013

16 PETITIONER/TRUSTEE:  
17 Jeffrey E. Stahley  
18 2050 Tumwater Street  
19 West Linn, OR 97068  
20 Tel: 503-710-8635

21 ATTORNEY FOR PETITIONER/TRUSTEE:  
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