

## JACK L. STAHLEY TRUST AGREEMENT

I, JACK L. STAHLEY, whose full name is JACK LEE STAHLEY, formerly known as Jacob Lee Stahla, of Lihu'e, Kaua'i, Hawai'i, as Settlor and Trustee, do hereby transfer, assign, set over and deliver to myself as Trustee, the property identified in the attached Schedule of Property. The trust property so identified, any property added to the trust in accordance with the provisions of this instrument, and all investments and reinvestments thereof ("trust principal") shall be held upon the following terms:

This instrument, as from time to time amended, may be designated the "JACK L. STAHLEY TRUST dated June 28, 2011."

Family statement: I am a widower and have three adult children, JILL LOUISE RYLANDER, JEFFREY EDWARD STAHLEY, and JOY MARIE STAHLEY. I have three adult stepchildren: BRENT JEFFERY PARRIES, BRADLEY GREG PARRIES, and CATHY ANNE RIES.

### ARTICLE I: DISPOSITION DURING SETTLOR'S LIFE

Commencing as of the date of this instrument and during my life, the trustee shall administer the trust principal and any net income thereof as follows:

A. The trustee shall distribute to me or apply for my benefit such amounts of net income and principal, even to the extent of exhausting principal, as the trustee believes desirable from time to time for my health, support in reasonable comfort, best interests, and welfare, considering all circumstances and factors deemed pertinent by the trustee. Any undistributed net income shall be accumulated and added to principal, as from time to time determined by the trustee.

B. During my life, the trustee may, despite general fiduciary principles, allow any part or all of the trust income or principal to remain uninvested; however, any net income earned by the trust shall be accumulated and added to principal, as from time to time determined by the trustee.

### ARTICLE II: DISPOSITION OF SPECIFIC GIFTS AT SETTLOR'S DEATH

A. TAX BURDEN: No taxes or expenses of administration shall be borne by any specific distribution made in this Article, but any taxes or expenses allocable to such gift shall be borne by the residuary trust estate.

JACK L. STAHLEY TRUST  
June 28, 2011



B. LIST OF PERSONAL PROPERTY: I may maintain a handwritten list of certain items of my tangible personal property that are to be distributed to the persons indicated on the said list by the trustee at my death. This list is kept with my copy of this trust instrument and shall be delivered to the successor trustee upon my death or incapacity. I retain the right, from time to time, to make changes in the list, and the distributions aforesaid shall be made by the trustee as indicated on the list as it exists at the time of my death.

#### ARTICLE III: AUTHORIZED ACTIONS AFTER SETTLOR'S DEATH

Following my death, the trustee shall pay out of the trust principal all (a) my legally enforceable debts, including debts owed by me to a trustee individually, except debts which are an encumbrance on real property, (b) the expenses of my last illness and funeral, (c) the administration expenses payable by reason of my death, and (d) the estate and inheritance taxes (including interest and penalties, if any) payable in any jurisdiction by reason of my death (including those administration expenses and taxes payable with respect to assets which do not pass under this trust). Despite the foregoing, if a personal representative of my probate estate is appointed within six months after my death, then the trustee shall not pay federal or state estate tax attributable to property in which I have a qualifying income interest for life, over which I have a power of appointment, or which is included in my gross estate by reason of Section 2036 of the Internal Revenue Code of 1986, as from time to time amended ("Code"). The trustee shall certify in writing to the personal representative of my probate estate, if any, the extent to which the principal available for payment of the preceding items is or will be insufficient. The preceding items shall be paid by the trustee without seeking reimbursement, recovery, or contribution from any person, except that if no personal representative of my probate estate is appointed within six months after my death, the trustee shall, to the maximum extent permitted by law, seek reimbursement for, recovery of, or contribution toward the payment of federal or state estate tax attributable to property in which I have a qualifying income interest for life, over which I have a power of appointment, or which is included in my gross estate by reason of Section 2036 of the Code, and which tax is not otherwise paid or payable. Any generation-skipping tax resulting from a transfer occurring under this instrument shall be charged to the property constituting the transfer in the manner provided by applicable law.

#### ARTICLE IV: DISTRIBUTION OF RESIDUARY TRUST ESTATE

A. As of the date of my death, but after providing for the payments, if any, required by Articles II and III of this instrument, the trustee shall distribute the remaining trust principal (including



property to which the trustee may be entitled under my will or from any other source), as follows:

TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00) to ROBERT SILVERMAN and LOLLY SILVERMAN, or to the survivor of them;

TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00) to ASHLEY PARRIES, if she shall then be living;

TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00) to ARIEANN WHITE, if she shall then be living;

TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00) to NATALYA TIEAKE, if she shall then be living;

TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00) to MASON HOLMES, if he shall then be living;

TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00) to HOLLY HOLMES, if she shall then be living;

TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00) to JAYMOND TROY CHADLEY, if he shall then be living;

TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00) to my daughter Joy's son, JAVIEN STAHLEY, if he shall then be living;

TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00) to KIMBERLY PARRIES, if she shall then be living;

TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00) to CASEY PARRIES, if she shall then be living;

TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00) to JESSICA PARRIES, if she shall then be living;

TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00) to BRIEANN PARRIES, if she shall then be living;

and the remainder as follows:

FIFTY PERCENT (50%) to JILL L. RYLANDER, JEFFREY E. STAHLEY, JOY M. STAHLEY, BRENT J. PARRIES, and CATHY A. RIES, or to the survivor(s) of them, in equal shares, intentionally omitting BRADLEY PARRIES who has been given much during my lifetime without appreciation; and

FIFTY PERCENT (50%) to the HAWAII COMMUNITY FOUNDATION to establish a permanent fund to be known as the JACK L. STAHLEY FUND (the "Fund") for the purpose of: 1) Supporting and inspiring young people, especially those at-risk or underprivileged, to realize their full potential, build confidence, develop character,



teamwork and leadership skills through sports and other youth programs and 2) To provide post-high school educational opportunities and scholarships for underprivileged students of merit.

B. Notwithstanding the foregoing, the share of any predeceased beneficiary, and any beneficiary who shall die within 30 days after my death, shall lapse. If any beneficiary has not reached the age of twenty-five (25) years, the trustee shall retain the property for that beneficiary in trust and the trustee shall have the discretion to apply as much of the net income and principal of the trust so retained as the trustee believes desirable for the education of the beneficiary, considering all circumstances and factors deemed pertinent by the trustee. The remaining trust property shall be distributed to such beneficiary upon reaching the age of 25, or to his or her estate if such beneficiary shall die prior to reaching the age of 25.

C. Notwithstanding the foregoing, my son, JEFFREY STAHLEY, shall be given right of first refusal to purchase my residence at fair market value, less five percent (5%). Such purchase must take place within 6 months of my death.

D. If at any time, the foregoing provisions do not provide persons qualified to take all or any portion of the trust estate, then the trust estate (or such portion) shall be distributed to the Fund established pursuant to paragraph A, above.

#### ARTICLE V: ADMINISTRATIVE PROVISIONS

The provisions of this Article shall apply to each trust held under this instrument:

A. If at any time a beneficiary eligible to receive net income or principal distributions is under legal disability, or in the opinion of the trustee is incapable of properly managing his or her financial affairs, then the trustee may make those distributions directly to the beneficiary, to a lawful guardian of the beneficiary, or to a custodian selected by the trustee for the beneficiary under a Uniform Transfers to Minors Act or similar applicable law, or may otherwise expend the amounts to be distributed for the benefit of the beneficiary in such manner as the trustee considers advisable. As used throughout this instrument, the term "lawful guardian" shall mean successively in the order named (i) the court-appointed guardian of the estate, (ii) either parent, or (iii) the individual having personal custody (whether or not a court-appointed guardian) where no guardian of the estate has been appointed.

B. Except as otherwise provided in this instrument, all income accrued or undistributed at the termination of any interest shall be treated as if it had accrued or been received immediately after that termination.



C. Among the circumstances and factors to be considered by the trustee in determining whether to make discretionary distributions of net income or principal to a beneficiary are the other income and assets known to the trustee to be available to that beneficiary and the advisability of supplementing such income or assets. As used throughout this instrument, the term "education" includes, but is not limited to, private schooling at the elementary and secondary school level, college, graduate and professional education, and specialized or vocational training.

D. Except as otherwise provided by law, no power of appointment or power of withdrawal shall be subject to involuntary exercise, and no interest of any beneficiary shall be subject to anticipation, to claims for alimony or support, to voluntary transfer without the written consent of the trustee, or to involuntary transfer in any event.

E. Any trust principal or net income as to which a power of appointment is exercised shall be distributed to the appointee or appointees upon such conditions and estates, in such manner (in trust or otherwise), with such powers, in such amounts or proportions, and at such time or times (but not beyond the period permitted by any applicable rule of law relating to perpetuities) as the holder of the power may specify in the instrument exercising the power. In determining whether a testamentary power of appointment has been exercised, the trustee may rely on a will admitted to probate in any jurisdiction as the will of the holder of the power or may assume the holder left no will in the absence of actual knowledge of one within three months after the holder's death.

F. If at any time after my death the trustee shall determine that the value of the trust is less than fifty thousand dollars, the trustee, without further responsibility, may (but need not) distribute the trust to the beneficiary for whom the trust is named. The decision of the trustee to distribute the trust pursuant to this paragraph shall be final and binding on all interested persons.

G. Notwithstanding any other provision of this instrument, at the end of twenty-one years after the death of the last to die of myself, and all descendants of mine who are living at my death, the trustee shall distribute the principal and all accrued or undistributed net income of the trust to the beneficiary for whom the trust is named.

H. For purposes of determining who is a descendant of mine or of any other person:

1. Legal adoption before the person adopted reached the age of twenty-one years shall be the equivalent in all respects to blood relationship; and



2. A person born out of wedlock and those claiming through that person shall be deemed to be descendants of the natural mother and/or her ancestors or the natural father and/or his ancestors, if he has acknowledged paternity and/or has had paternity established in a court of law.

#### ARTICLE VI: TRUSTEE POWERS

A. The trustee shall have the following powers with respect to each trust held under this instrument, exercisable in the discretion of the trustee:

1. To retain for any period of time without limitation, and without liability for loss or depreciation in value, any property transferred to the trustee, including partnership interests (whether general, special, or limited), even though the trustee could not properly purchase the property as a trust investment and though its retention might violate principles of investment diversification;

2. To sell at public or private sale, wholly or partly for cash or on credit, contract to sell, grant or exercise options to buy, convey, transfer, exchange, or lease (for a term within or extending beyond the term of the trust) any real or personal property of the trust, and to partition, dedicate, grant easements in or over, subdivide, improve, and remodel, repair, or raze improvements on any real property of the trust, and in general to deal otherwise with the trust property in such manner, for such prices, and on such terms and conditions as any individual might do as outright owner of the property;

3. To borrow money at interest rates then prevailing from any individual, bank, or other source, irrespective of whether any such individual or bank is then acting as trustee, and to create security interests in the trust property by mortgage, pledge, or otherwise;

4. To invest in bonds, common or preferred stocks, notes, real estate mortgages, common trust funds, shares of regulated investment companies, currencies, partnership interests (whether general, special, or limited), or other securities or property, real or personal, domestic or foreign, including partial interests, such as life estate, term or remainder interests, without being limited by any statute or rule of law governing investments by trustees;

5. To make allocations, divisions, and distributions of trust property in cash or in kind, or partly in each; to allocate different kinds or disproportionate shares of property or undivided interests in property among the beneficiaries or separate trusts, without liability for, or obligation to make compensating adjustments by reason of, disproportionate allocations of unrealized gain for federal income tax purposes; and to determine the value of any property so allocated, divided, or distributed;



trustee, in the name of a nominee, or in unregistered form;

8. To pay all expenses incurred in the administration of the trust, including reasonable compensation to any trustee, and to employ or appoint and pay reasonable compensation to accountants, depositaries, investment counsel, attorneys, attorneys-in-fact, and agents (with or without discretionary powers);

9. To deal with the fiduciary or fiduciaries of any other trust or estate, even though the trustee is also the fiduciary or one of the fiduciaries of the other trust or estate;

10. To compromise or abandon any claim in favor of or against the trust;

11. To lend money to the personal representative of my estate, and to purchase property from the personal representative of either estate and retain it for any period of time without limitation, and without liability for loss or depreciation in value, notwithstanding any risk, lack of productivity, or lack of diversification;

12. To commingle for investment purposes the property of the trust with the property of any other trust held hereunder, allocating to each trust an undivided interest in the commingled property;

13. To merge and consolidate at any time after my death all the trust property with the trust property of any trust created by will and held by the same trustee for the benefit of the same persons who are beneficiaries hereunder, upon substantially the same terms and conditions as those set forth herein, and thereafter to administer the trust property as a single trust hereunder;

14. To receive any property, real or personal, to be added to the trust, from me in any event (and, if the trustee consents in writing, from any other person) by lifetime or testamentary transfer or otherwise;

15. To execute instruments of any kind, including instruments containing covenants and warranties binding upon and creating a charge against the trust property and containing provisions



excluding personal liability; and

16. To perform all other acts necessary for the proper management, investment, and distribution of the trust property.

B. The powers granted in this Article shall be in addition to those granted by law and may be exercised even after termination of all trusts hereunder until actual distribution of all trust principal, but not beyond the period permitted by any applicable rule of law relating to perpetuities.

#### ARTICLE VII: TRUSTEE PROVISIONS

A. Any trustee may resign at any time by giving prior written notice to me, if then living, or if I am not then living, to the beneficiary or beneficiaries to whom the current trust income may or must then be distributed.

B. Except as otherwise provided in paragraphs D and E of this Article:

1. If I cease to act as trustee hereunder for any reason, I appoint JEFFREY STAHLEY as trustee; and

2. If JEFFREY STAHLEY is unable or unwilling to serve for any reason, I name ROBERT SILVERMAN as trustee. If he is unable or unwilling to serve for any reason, I name LOLLY SILVERMAN to act as trustee. Should all nominated trustees be unable or unwilling to serve, HAWAII COMMUNITY FOUNDATION shall nominate a successor trustee. If any trustee fails or ceases to act as trustee hereunder for any reason, or if any successor trustee appointed as hereinafter provided ceases to act as trustee hereunder for any reason, the person or persons indicated in paragraph F of this Article shall, by written instrument, appoint any person or any bank or trust company, within or outside the State of Hawaii, as a successor trustee.

C. The person or persons indicated in paragraph F of this Article may at any time, by written instrument, approve the accounts of the trustee with the same effect as if the accounts had been approved by a court having jurisdiction over the subject matter and over all necessary parties.

D. If any corporate trustee designated to act or at any time acting hereunder is merged with or transfers substantially all of its assets to another corporation, or is in any other manner reorganized or reincorporated, the resulting or transferee corporation shall become trustee in place of its corporate predecessor.

E. As often as the trustee shall deem such action to be



advantageous to the trusts or to any beneficiary, the trustee may, by written instrument, resign and appoint as substitute trustee with respect to all or any part of the trust principal, including property as to which the trustee cannot act, any person (other than my spouse, if any, or a descendant of mine), or any bank or trust company, within or outside the State of Hawaii. The substitute trustee shall have all of the title, powers, and discretion of the original trustee, but shall exercise the same under the supervision of the resigning trustee, who shall act as adviser to the substitute trustee. The adviser may at any time remove the substitute trustee by written instrument delivered to the substitute trustee. Upon the removal or resignation of the substitute trustee, the adviser may resume the office of trustee or may continue to act as adviser and appoint another substitute trustee. Any adviser may receive reasonable compensation for services as an adviser.

F. A successor trustee may be appointed pursuant to subparagraph 2 of paragraph B of this Article and the accounts of the trustee may be approved pursuant to paragraph C of this Article by me, if then living, or after my death, in accordance with subparagraph 2 of paragraph B of this Article, or if necessary by a majority in number of the beneficiaries to whom the current trust income may or must then be distributed. If any person so designated to act is then under legal disability, the instrument of appointment or approval may be signed by the lawful guardian of such person on his or her behalf.

G. The incumbent trustee shall have all of the title, powers, and discretion granted to the original trustee, without court order or act of transfer. No successor trustee shall be personally liable for any act or failure to act of a predecessor trustee. With the approval of the person or persons indicated in paragraph F of this Article who may approve the accounts of the trustee, a successor trustee may accept the account furnished, if any, and the property delivered by or for a predecessor trustee without liability for so doing, and such acceptance shall be a full and complete discharge to the predecessor trustee.

H. To the extent that such requirements can legally be waived, no trustee hereunder shall ever be required to give bond or security as trustee, or to qualify before, be appointed by, or account to any court, or to obtain the order or approval of any court with respect to the exercise of any power or discretion granted in this instrument.

I. The trustee's exercise or non-exercise of powers and discretions in good faith shall be conclusive on all persons. No person paying money or delivering property to any trustee hereunder shall be required or privileged to see to its application. The certificate of the trustee that the trustee is acting in compliance with this instrument shall fully protect all persons dealing with a trustee.



ARTICLE VIII

I reserve the right from time to time during my life, by written instrument delivered to the trustee (or, if I am trustee, by written instrument filed with the trust records), to amend or revoke this instrument in whole or in part; provided, however, that if this instrument is completely revoked, all trust property held by the trustee shall be delivered to me or as I may otherwise direct in writing.

As settlor and trustee, I now sign this declaration of trust  
on June 28, 2011.

JACK L. STAHLEY, whose full name is  
JACK LEE STAHLEY, formerly known as  
Jacob Lee Stahla

On this 28<sup>th</sup> day of June, 2011 before me personally appeared JACK L. STAHLEY, whose full name is JACK LEE STAHLEY, formerly known as Jacob Lee Stahla, who satisfactorily proved to be the person described in and who executed the foregoing JACK L. STAHLEY TRUST AGREEMENT, dated June 28, 2011, and having 11 pages, including the attached Schedule of Property, and acknowledged that he executed the same as his free act and deed.

JACK L. STAHLEY TRUST  
June 28, 2011

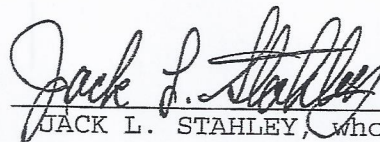


# SCHEDULE OF PROPERTY

This schedule is attached to and forms a part of that certain trust agreement executed by JACK L. STAHLEY, whose full name is JACK LEE STAHLEY, formerly known as Jacob Lee Stahla, dated June 28, 2011, and identifies the initial trust property held subject to the trust.

1. Cash: \$10.00
2. All of the settlor's jewelry, wearing apparel, personal effects, furniture, furnishings, rugs, books, papers, pictures, prints, paintings, objects of art, silverware, china, glass, linens, other household effects and supplies, and all other unregistered tangible personal property of whatsoever description and wheresoever situated.

Dated at Lihue, Kauai, Hawaii, this 28<sup>th</sup> day of June 2011.



JACK L. STAHLEY, whose full name is  
JACK LEE STAHLEY, formerly known as  
Jacob Lee Stahla

SETTLOR

JACK L. STAHLEY TRUST  
June 28, 2011