

Last Will and Testament
of
__[Name]__

PART ONE

I, __[Name]__, a citizen of the United States and resident of __[Name]__ County, California, declare this to be my will. I have also been known as __[Name]__. I revoke all wills and codicils that I have previously made.

I am married to __[Wife's Name]__, to whom the term "my spouse" refers in my will.

The names and birth dates of my children are as follows: __[Name]__, born __[Date]__, who is my wife's daughter by a prior marriage and whom I regard as my own child, and __[Name]__, born __[Date]__. The term "my children" in my will refers only to my children named above.

PART TWO

Personal Property:

I give all my jewelry, clothing, household furniture and furnishings, personal automobiles, books, and other tangible articles of a personal nature not otherwise specifically disposed of in my will or in any other manner, together with any insurance on the property, to my wife, __[Name]__ if she survives me by 30 days. If she fails to so survive me, I give this gift to the trust established herein for the benefit of my children.

Marital Deduction Trust (QTIP Trust):

If my spouse survives me, I direct that a marital trust be established and give to the marital trust my interest in the following community property assets:

1. All of my interest in __[Name of business]__, including machinery.
2. All of my interest in approximately ten acres located in __[City]__, California, and known as __[Name]__, and consisting of 10 residential units.

3. All of my interest in a house and real property located at [Address] , [City] , California, or any and all proceeds from the sale thereof.

4. All of my interest in any and all stocks, bonds, and bank accounts that I may own.

In addition to the above, my executor may add to the marital trust the income from my separate property, the minimum pecuniary amount necessary to entirely eliminate, or to reduce to the maximum extent possible, any federal estate tax at my death, taking into account:

(1) All deductions taken in determining the estate tax payable by reason of my death;

(2) The net value of all other property, whether or not it is given under this instrument and whether it passes at the time of my death or has passed before my death to or in trust for my spouse, so that it is included in my gross estate and qualifies for the federal estate tax marital deduction; and

(3) All credits allowed for federal estate tax purposes other than any credit allowable under Internal Revenue Code section 2011, to the extent that the credit exceeds any state death taxes payable without regard to the availability of such credit, provided that no credit shall be taken into account in determining the size of the marital trust if such credit shall result in the disallowance of the marital deduction.

Bypass Trust:

I direct that a bypass trust shall be established, to be called the [Name] Trust. The bypass trust shall consist of the balance of my estate, and shall consist primarily of my separate property, including the following assets.

1. My interest in the [Name] Ranch located in [Name] County, California.
2. My interest in 80 acres of timber property located in [Name] County, California.

The executor shall satisfy the amount so determined in cash or in kind, or partly in each, and shall allocate to the marital trust only assets that are eligible for the federal estate tax marital deduction. Assets allocated in kind shall be considered to satisfy this amount on the basis of their net fair market values as finally determined for federal estate tax purposes.

Assets qualifying for the federal estate tax marital deduction shall be transferred to the marital trust only to the extent that the transfer reduces the federal estate tax

otherwise payable by reason of my death. No assets for which a credit for foreign death taxes is allowed under the federal estate tax law applicable to my estate shall be allocated to the marital trust, unless there is insufficient other property to fully fund the marital trust. The executor shall select property to satisfy the pecuniary amount constituting the marital trust, so that any appreciation or depreciation that has occurred in the value of trust property between the applicable valuation date and the date of allocation shall be fairly apportioned between the marital trust and the bypass trust.

I intend the marital deduction trust to qualify for the marital deduction under the applicable provisions of the Internal Revenue Code. I direct that neither the executor nor the trustee take any action or exercise any power that will impair the marital deduction. This direction does not limit the executor's power of election or non-election under Internal Revenue Code section 2056(b)(7).

If my spouse does not survive me, I give the residue of my estate to the trustee named in Part Five to be administered according to the terms contained in Part Four.

PART THREE

The trustee shall hold, administer, and distribute all property allocated to the marital QTIP trust as follows:

The trustee shall pay the entire net income of the marital trust to my spouse, during my spouse's lifetime, in quarter-annual or other convenient installments.

At the death of my spouse, any income accumulated from the date of the last income distribution through the date of my surviving spouse's death shall be distributed to my spouse's estate.

In addition to the net income, the trustee shall pay to or for my spouse as much of the principal, up to the whole of the trust, as the trustee considers necessary for my spouse's health, support, and maintenance to maintain at a minimum my spouse's accustomed manner of living.

In making distributions, the trustee may not consider any other income or resources of my spouse.

My spouse shall have the right to direct the trustee to convert any unproductive property held in the marital deduction trust to productive property within a reasonable time, and the trustee shall comply with this direction within a reasonable time after receipt of the directive. Such instruction to the trustee must be in writing.

I direct my executor to elect under Internal Revenue Code section 2056(b)(7) to treat the marital trust as qualified terminable interest property for the purpose of

qualifying for the federal estate tax marital deduction.

I request but do not require my executor to make an election under Internal Revenue Code section 2056(b)(7) to qualify all or part of the marital trust for the federal estate tax marital deduction. I recognize that the marital trust will not qualify for the marital deduction if my executor does not make this election. In exercising this discretion, my executor may consider all relevant factors, including (1) the potential benefits and detriments of reducing the federal estate tax on my estate and increasing the tax on my spouse's estate and (2) the potential benefits of eliminating from my spouse's gross estate the appreciation in value of the marital deduction share that may occur after my death and before my spouse's death. My executor's discretion shall be absolute, notwithstanding any beneficial or adverse effect on my estate, my spouse's estate, or the beneficiaries of these estates. My executor shall not incur personal liability for exercising or not exercising this election, and my estate shall hold my executor harmless against all claims with regard to the election. The discretion under this paragraph is not limited by the wording of the marital deduction intention clause.

If my spouse effectively disclaims all my spouse's beneficial interest in all or any portion of the marital trust, the trustee shall include the portion disclaimed in the _[Name]_ Trust established herein.

At the death of my spouse, the trustee shall distribute the remaining marital trust estate to the _[Name]_ Trust.

PART FOUR

The trustee shall hold, administer, and distribute all property allocated to the bypass trust as follows:

The beneficiaries of this trust are listed below:

Income beneficiary: _[Name]_, my spouse

Principal beneficiary: Class composed of my spouse, my daughters, and my daughter's issue

If my spouse effectively disclaims all my spouse's beneficial interest in all or any portion of this trust, the trustee shall distribute the trust, or the portion of the trust that corresponds to the disclaimed interest, according to the distribution provisions in this Part Four.

The trustee shall pay to or apply for the benefit of my spouse as much of the income as the trustee considers necessary for my spouse's health, education, support, or maintenance to maintain my spouse's accustomed manner of living. The trustee shall

add to principal any undistributed net income.

When my youngest child reaches the age of forty (40) years, the trustee shall distribute the remaining trust estate to my two daughters, or to their respective issue, by right of representation.

PART FIVE

I name as trustee and successor trustee of any trust created in my will, in the order and priority indicated, the following:

First: _[Name]_ , _[Relationship and/or Address]_

Second: _[Name]_ , _[Relationship and/or Address]_

All powers vested in the original trustee shall be exercisable by any successor trustee. No named or unnamed, resident or nonresident trustee of this trust shall be required to post bond or security to serve.

Without court order, the trustee will be entitled to (1) annual compensation for all ordinary services rendered to the trust in the amount of One Thousand Two Hundred Dollars (\$1,200.00) per year, and (2) reasonable compensation for any extraordinary services rendered. If the trustee serves for only part of a calendar year, the annual compensation shall be prorated to reflect the actual period of service.

The trustee may, in the trustee's discretion, employ and rely on the advice given by any custodian, attorney, accountant, investment adviser, corporate fiduciary, or other agents or advisers to assist the trustee in the administration of this trust. Reasonable compensation for services performed by any agent or adviser shall be paid from either principal or income of the trust estate and shall not decrease the compensation to which the trustee is entitled.

No trustee shall be liable to any person interested in the trust for any act or default unless it results from the trustee's bad faith, willful misconduct, or gross negligence.

Any successor trustee may, in the trustee's discretion, accept as correct any accounting of trust assets made by any predecessor trustee. No successor trustee shall be under any obligation to institute any action or proceeding for the settlement of the accounts of any predecessor trustee or for any actions or omissions of any predecessor trustee.

PART SIX

For all trusts under my will, except when my will specifically provides otherwise, the trustee shall have the powers described below:

The trustee may, in the trustee's discretion, invest and reinvest all or part of the trust estate in any common or preferred stocks, shares of investment trusts and mutual funds, bonds, debentures, mortgages, deeds of trust, mortgage participations, notes, real estate, precious metals, or other property that the trustee, in the trustee's discretion, selects. It is my express desire and intention that the trustee shall have full power to invest and reinvest the trust funds without being restricted to forms of investment that the trustee may otherwise be permitted to make by law and to consider individual investments as part of an overall investment strategy in a manner that, under the prevailing circumstances (specifically including but not limited to the general economic conditions and the anticipated needs of the trust and its beneficiaries) a person of skill, prudence, and diligence acting in a similar capacity and familiar with such matters would use in the conduct of an enterprise of similar character and with similar aims to attain my goals under my will. The aggregate return of all investments of the marital deduction trust from time to time shall be reasonable in light of prevailing circumstances.

The trustee may, in the trustee's discretion, continue to hold any property that the trustee receives or acquires for as long as the trustee considers advisable, regardless of whether (1) the property would then be authorized by law for investment by trustees, (2) the property is productive, or (3) retention of the property prevents the diversification of trust investments. Notwithstanding the foregoing powers, the aggregate return from all investments from time to time must be reasonable under the prevailing circumstances.

The trustee may, in the trustee's discretion, purchase bonds and pay any premiums connected with the purchase that the trustee, in the trustee's discretion, considers advisable, provided, however, that each premium is repaid periodically to principal from the interest on the bond in a reasonable manner and, to the extent necessary, from the proceeds on the sale or other disposition of the bond.

The trustee may, in the trustee's discretion, purchase bonds at any discount that the trustee, in the trustee's discretion, considers advisable. If, however, the trustee determines that the current yield on the bonds is materially less than the rate of return that the trust could otherwise obtain with equivalent safety, all or part of the discount shall be credited periodically to trust income in a reasonable manner and, to the extent necessary, paid from the proceeds on the sale or other disposition of the bond or from principal.

The trustee may, in the trustee's discretion, purchase or otherwise acquire underproductive property.

The trustee shall have all the rights, powers, and privileges of an owner of the securities held in the trust, including but not limited to the powers to:

(1) Vote, give proxies, and pay assessments;

(2) Participate in voting trusts and pooling agreements __[whether or not extending beyond the term of the trust]__ and enter into shareholders' agreements, including but not limited to buy-sell agreements and close corporation and S corporation shareholders' agreements;

(3) Consent to foreclosures, reorganizations, consolidations, mergers, and liquidations;

(4) Deposit securities with and transfer title to any protective or other committee on any terms that the trustee, in the trustee's discretion, considers advisable; and

(5) Exercise or sell stock subscription or conversion rights.

The trustee may, in the trustee's discretion:

(1) Hold securities or other property in the trustee's name as trustee under this trust, in the trustee's own name, or in the name of a nominee; or

(2) Hold securities unregistered in such condition that ownership will pass by delivery.

The trustee may, in the trustee's discretion, manage, control, grant options on, sell (for cash or on deferred payments, with or without security), convey, exchange, partition, divide, maintain, improve, and repair trust property.

The trustee may, in the trustee's discretion, lease trust property for terms within or beyond the term of the trust and for any purpose (including exploration for and removal of gas, oil, minerals, and geothermal energy) and enter into community oil leases, pooling, and unitization agreements.

The trustee may, in the trustee's discretion, disclaim, release, or restrict the scope of any administrative power held in connection with any trust created under my will, whether the power is expressly granted in my will or implied by law, in a written instrument specifying the power to be disclaimed, released, or restricted and the nature of the restriction. Any power disclaimed or released shall be extinguished unless the trustee, in the trustee's discretion, appoints an independent special trustee to exercise the disclaimed or released power.

The trustee may, in the trustee's discretion, take any action and make any

election to minimize the tax liabilities of (1) any trust held under my will and (2) the trust's beneficiaries. The trustee may allocate the benefits among the various beneficiaries and make adjustments in the rights of any beneficiaries, or between the income and principal accounts, to compensate for the consequences of any tax election or investment or administrative decision that the trustee believes has directly or indirectly benefited one beneficiary or group of beneficiaries over others.

The trustee may, in the trustee's discretion, borrow money and encumber trust property by mortgage, deed of trust, pledge, or otherwise, for the debts of the trust or the joint debts of the trust and a co-owner of the property in which the trust has an interest.

The trustee may, in the trustee's discretion, carry, at the expense of the trust, insurance of the kinds and in the amounts that the trustee considers advisable to protect the trust estate against any hazard and the trustee personally against liability with respect to third persons.

The trustee may, in the trustee's discretion, abandon any property or interest in property belonging to the trust if the trustee determines, in the trustee's discretion, that the abandonment is in the best interests of the trust and its beneficiaries.

The trustee may, in the trustee's discretion, initiate or defend, at the expense of the trust, any litigation relating to the trust or any property of the trust estate that the trustee considers advisable. The trustee's powers under this paragraph shall apply during the term of the trust and after distribution of trust assets. The trustee shall have no duties, however, regarding any litigation or claims occurring after distribution of trust assets, unless the trustee is adequately indemnified by the distributees for any loss occasioned by exercise of the powers.

The trustee may, in the trustee's discretion, compromise, submit to arbitration, abandon, or otherwise adjust any claims or litigation against or in favor of the trust. The trustee's decision in this regard shall be conclusive. The trustee's powers under this paragraph shall apply during the term of the trust and after distribution of trust assets. The trustee shall have no duties, however, regarding any litigation or claims occurring after distribution of trust assets, unless the trustee is adequately indemnified by the distributees for any loss occasioned by exercise of the powers.

When an event requires the trustee to divide, segregate, or distribute trust property, the trustee may delay the division, segregation, or distribution of all or part of the property for the period of time necessary to ascertain and provide for the payment of any tax, claim, or other liability against the property. During this period, the trustee may pay the net income of the trust property to the persons and entities entitled to it. The provisions of this paragraph shall not be deemed to postpone or defer the vesting of any interest created by the dispositive provisions of the trust.

When the trustee must divide any trust property into parts or shares for the purpose of distribution or otherwise, the trustee may, in the trustee's discretion, make the division and distribution in identical interests, in kind, or partly in kind and partly in money, pro rata or non-pro rata. The trustee may make sales of the trust property that the trustee considers necessary to accommodate such distributions.

Except when my will specifically provides otherwise, the trustee shall determine what is principal and income of the trust estate and apportion and allocate receipts, expenses, and other charges between those accounts according to the provisions of the California Revised Uniform Principal and Income Act (RUIPIA; Probate Code sections 16300_16315). If my will or RUIPIA does not provide for allocation of an income or expense item, the trustee has reasonable discretion to determine the characterization.

Notwithstanding any other provision of my will or of RUIPIA, the trustee shall establish a reserve for depreciation of all income-producing real and personal property, capital improvements, and extraordinary repairs if the aggregate return of all investments of the marital trust from time to time is reasonable in light of existing circumstances.

In addition, the trustee shall establish a reasonable reserve for depletion of all depletable natural resources, including but not limited to oil, gas, minerals, and timber property, to be charged to income from time to time, provided the aggregate return of all investments of the marital trust from time to time is reasonable in light of existing circumstances.

The trustee shall establish a reasonable reserve for amortization of all intangible property having a limited economic life, including but not limited to patents and copyrights, to be charged to income from time to time.

Except with respect to trusts created under my will that qualify for the marital deduction, the trustee shall not be required to segregate physically or divide assets among the various trusts, except on termination of any of the trusts. The trustee, however, shall keep separate accounts for the separate undivided interests.

The trustee need not prorate taxes and current expenses among successive beneficiaries on a daily basis but may consider all taxes and other current expenses to have been paid and charged to the period in which they first became due and payable.

Unless the trustee receives written notice of the occurrence of an event affecting the beneficial interests in any trust held under my will, the trustee shall not be liable to any beneficiary of the trust for distributions made or other actions taken by the trustee in good faith as though this event had not occurred.

The trustee may distribute assets held in trust and subject to a power of appointment as if the power had not been exercised, if the trustee has not received any document purporting to exercise the power by the earlier of:

(1) Six months after the death of any person holding a power of appointment over the assets; or

(2) If the power holder is purported to have a will, expiration of the statutory period in the decedent's domicile within which a will contest must be filed to contest the purported will.

If a document purporting to exercise the power is subsequently located, the trustee shall not be liable to the appointees under that exercise, and the rights of the appointees and the persons to whom the trustee distributed the assets shall be determined as provided by law.

With the trustee's written consent, additional property may be added at any time from any source to any trust held under my will.

The trustee shall exercise all powers in the trustee's fiduciary capacity. The trustee shall have no power under any provision of my will to enlarge or shift any of the beneficial interests under any trust created under my will except as an incidental consequence of the discharge of the trustee's fiduciary duties.

All powers, duties, and immunities of the trustee shall continue after termination of any trust created under my will for a reasonable period until actual distribution of the trust property.

The laws of the State of California in force when I execute my will shall govern the validity, construction, interpretation, and administration of any trust created under my will.

No interest in the principal or income of any trust created under this instrument may be anticipated, assigned, encumbered, or subjected to creditor's claim or legal process before actual receipt by the beneficiary.

If the creditor of any beneficiary who is entitled to any distributions from a trust established under this instrument attempts by any means to subject to the satisfaction of his or her claim that beneficiary's interest in any distribution, then, notwithstanding any other provision in this instrument, the distribution set aside for that beneficiary shall be disposed of, until the release of the writ of attachment or garnishment or other process, as follows:

(1) The trustee shall pay to or apply for the benefit of that beneficiary all sums that the trustee, in the trustee's discretion, determines to be necessary for the reasonable health, education (including study at an institution of higher learning or vocational school), and support of the beneficiary according to his or her accustomed mode of life; and

(2) The portion of the distribution that the trustee determines to exceed the amount necessary for the health, education (including study at an institution of higher learning or vocational school), and support shall, in the trustee's discretion, either be added to and become principal in whole or in part, or be paid to or applied for the benefit of the other beneficiaries then entitled to receive payments from any trust established under my will, in proportion to their respective interests in the trust estate; or, if there are no other beneficiaries, the excess income may be paid to or applied for the benefit of the person or persons presumptively entitled to the next eventual interest, in proportion to their respective interests in the trust.

PART SEVEN

I nominate the persons listed below, in the order and priority indicated, as executor and alternate or successor executor of my will:

First: __[Name]__

Second: __[Name]__

The term "executor" includes any personal representative of my estate. I request that no bond be required of any executor nominated in my will.

PART EIGHT

My executor may administer my estate under the California Independent Administration of Estates Act (Probate Code sections 10400_10600).

My executor may sell, with or without notice, at either public or private sale, for cash or terms, any property of my estate that my executor considers necessary for the estate's proper administration and distribution.

My executor may lease all or any part of the real or personal property of my estate on terms that my executor considers proper.

My executor may retain any asset of my estate (including unproductive, speculative, or fluctuating assets) for as long as the executor considers proper. My executor shall not be liable for any resulting losses unless the executor acts in bad faith, is grossly negligent, or engages in willful misconduct.

In selecting estate property to be distributed in fulfillment of any nonspecific devise made in my will, my executor may determine which property to allocate to the portions to be distributed.

My executor may distribute estate property pro rata or non-pro rata when fulfilling devises of shares of my estate.

My executor may consider the income tax bases of estate assets when allocating property to fulfill devises. My executor may make adjustments to shares or gifts to compensate for the tax consequences of any distribution that my executor believes may directly or indirectly prefer one beneficiary or group over another; my executor's decisions in this regard shall be final. My executor may allocate property to fulfill devises without regard to the income tax bases of estate assets and shall not be liable for failure to exercise the powers to consider tax bases or to make compensatory adjustments provided above.

Except when my will specifically provides otherwise, my executor may satisfy any general pecuniary devise by cash, by in-kind property valued as of the date of distribution, or partially by each.

My executor may purchase, or exchange assets for, assets of my estate or any fractional interests in it for adequate consideration.

PART NINE

If any beneficiary under my will in any manner, directly or indirectly, contests my will or any of its provisions in any legal proceeding that is designed to thwart my wishes as expressed in my will, any share or interest in my estate given to that contesting beneficiary under my will is revoked and shall be disposed of under the terms of my will as if that contesting beneficiary had predeceased me without issue.

If any provision of my will is unenforceable, the remaining provisions shall remain in full effect.

If my spouse and I should die simultaneously, or under such circumstances as to render it difficult or impossible to determine who predeceased the other, my spouse shall be conclusively presumed to have survived me for purposes of this Will.

Signed on [Date] , 20 , at [City] , California.

 [Name]

Attestation

On the date written below, the testator, [Name] , declared to us that this instrument, consisting of [Number] pages including this page, was the testator's will and asked us to witness it. The testator then signed this will in our presence, all of us being present at the same time. At the testator's request, in the testator's presence, and in the presence of one another, we subscribe our names as witnesses.

We believe that the testator is over age 18, is of sound mind, and is under no constraint or undue influence.

We declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed on [Date] , 20 , at [City] , California.

 [Name]
 [Address]

 [Name]
 [Address]