

STATE OF ALABAMA) 932
MARSHALL COUNTY)

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Shelby Cnty Judge of Probate, AL
06/29/1981 00:00:00 FILED/CERTIFIED

REVOCABLE INTER VIVOS TRUST

This Indenture of Trust made this the 12th day of January, 1981, by and between MARY H. CHILES of Marshall County, Alabama, hereinafter called the "Donor" and JOHN CHILES, hereinafter called the "Trustee".

W I T N E S S E T H :

WHEREAS, the Donor has assigned, delivered, transferred and conveyed to the Trustee the property described in Exhibit "A", and

WHEREAS, the Donor may from time to time assign, deliver, transfer and convey to said Trustee additional property, real or personal to be held under the terms of this Indenture of Trust.

NOW THEREFORE, said Trustee does hereby covenant and agree that he will receive and manage such property and invest and reinvest the same and hold and distribute such property pursuant to the following provisions, viz:

FIRST: This trust shall be known as the "MARY H. CHILES REVOCABLE TRUST and can be amended, altered, revoked or terminated by the Donor in the manner hereinafter described.

SECOND: During the Donor's lifetime, the Trustee shall pay all of the net income to the Donor (or as she may direct by an instrument or instru-

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ments in writing) in convenient installments, at least quarterly. The Trustee shall pay to the Donor such amount or amounts from the principal of the trust as she shall request in writing. If during the Donor's lifetime the Trustee believes that the Donor is incapacitated through illness or other cause, the Trustee may in his discretion, from time to time, while he believes such incapacity continues, apply all or any part of the net income or principal toward the support, care and benefit of the Donor or of the Donor's husband, A. E. CHILES, or in discharge of any other legal obligation of the Donor, in such amount or amounts, and in such manner as he may determine without regard to the Donor's other means or the other means of the Donor's said husband.

THIRD: The Donor reserves the right at any time or times to amend, alter, revoke or terminate this trust, in whole or in part, or any provision thereof, by an instrument in writing signed by the Donor and delivered to the Trustee in the lifetime of the Donor. If this trust is revoked, in whole or in part, such revocation shall take effect upon the delivery of the required writing to the Trustee. Upon such partial or complete revocation of this trust, the Trustee shall pay or transfer to the Donor or as the Donor may direct in the instrument of revocation, a part or all of the trust funds as directed in such instrument of revocation.

FOURTH: The Donor reserves the right by her own act alone, without the consent or approval of the Trustee, to sell, assign or hypothecate any policies of insurance upon her life made payable to the Trustee, if any, to exercise any option or privileges granted by such policies, including, but without limitation

of the generality of the foregoing, the right to change the beneficiary of such policies, to borrow any sum in accordance with the provisions of such policies and to receive all payments, dividends, surrender values, benefits or privileges of any kind which may accrue on account of such policies during her lifetime. Furthermore, the Trustee agrees to deliver to the Donor on her written request any of such policies, if any, deposited with the Trustee hereunder. If any policy is surrendered to the issuing company or if the beneficiary of any policy is changed from the Trustee, this trust shall be revoked with respect to such policy.

If, in the opinion of the Trustee, the Donor is incapacitated through illness or other cause, the Trustee may in his discretion pay all premiums on insurance on the life of the Donor.

FIFTH: After the death of the Donor, when the policies hereunder, if any, shall become payable, the Trustee shall promptly furnish "proofs of loss" to the insurance companies, and shall collect and receive the proceeds of the policies; to that end, he shall have power to execute and deliver receipts and other instruments and to take such action as is appropriate for the collection thereof; provided, however, that if payment of any policy is contested, the Trustee shall be under no obligation to institute legal action for collection thereof unless and until he has been indemnified to his reasonable satisfaction for all costs including attorneys' fees. The Trustee may reimburse himself from the principal of the trust for any advances made or expenses incurred in collecting or attempting to collect any sum from any insurance company, by suit or otherwise.

It is the intent of the Donor that only the net proceeds of policies payable to the Trustee shall be collected. Accordingly, all loans, advances or other charges against any such policy shall be paid from proceeds thereof, and only the balance of the proceeds shall be claimed and collected by the Trustee.

No insurance company issuing any policy of insurance deposited with the Trustee hereunder shall be responsible for the application or disposition of the proceeds of such policy. Payment to and receipt by the Trustee of such proceeds shall be a full discharge of the liability of such insurance company.

The Trustee shall have no responsibility, except as specified above, with respect to any policy of insurance for the payment of premiums, to notify the Donor of premiums due, or for any action required to keep any policy in force during the Donor's life.

SIXTH: The Trustee shall receive, hold and manage all such property described in Exhibit "A" and any additions thereto and shall invest and reinvest the same, collect the income therefrom, and distribute such income as directed in Paragraph SECOND hereof.

The Trustee shall render to the Donor not less frequently than annually an account of the income and principal. The Donor's written approval of said account shall as to all matters and transactions covered by said account be binding upon all who are then or who may thereafter become entitled to the income or principal of the trust.

SEVENTH:

Upon the death of the Donor, this trust shall determine and the Trustee shall transfer, convey and pay over the entire trust estate to the Donor's personal representative to be held or distributed in accordance with the Donor's Last Will and Testament, if duly admitted to probate, otherwise, to be distributed according to the statutes of descent and distribution of the State of Alabama in effect at the time of the Donor's death.

EIGHTH:

1. The trustee at any time serving hereunder shall be entitled to reasonable compensation for the trustee's services.

2. The trustee shall hold, manage, invest and reinvest the property constituting each trust estate and such other property as the trustee may subsequently acquire pursuant to the power and authority herein given to the trustee (all of which with respect to each separate trust will hereinafter for convenience be referred to as the "trust estate"), with the following powers and authority with respect to each separate trust estate:

A. To sell, exchange, transfer or convey, either before or after option granted, all or any part of said trust estate upon such terms and conditions as the trustee sees fit, to invest and reinvest said trust estate and the proceeds of sale or disposal of any portion thereof, in such loans, stocks, bonds or other securities, mortgages, participations in mortgages, common trust funds, or other property, real or personal, whether so-called "legal" investments of trust funds, or not, as to the trustee may seem suitable, and to change investments and to make new invest-

ments from time to time as to the trustee may seem necessary or desirable.

B. To improve, repair, lease, rent for improvement or otherwise, for a term beyond the possible termination of this trust, or for any less term, either with or without option of purchase, and to let, exchange, release, partition, vacate, dedicate, or adjust the boundaries of, any real estate constituting a part of said trust estate.

C. To borrow money for such time and upon such terms as the trustee sees fit, without security or on mortgage of any real estate or upon pledge of any personal property held by the trustee hereunder, and to execute mortgages or pledge agreements therefor.

D. To hold any property including common stocks or other securities originally received by the trustee as a part of said trust estate so long as the trustee shall consider the retention thereof in the best interests of said trust estate, irrespective of whether such property is a so-called "legal" investment of trust funds and irrespective of the relative proportion of the trust estate represented by any so-called "non-legals", and to acquire other property which is not a so-called "legal" investment of trust funds, where such course is in the trustee's opinion for the best interests of said trust estate.

E. To determine whether or to what extent receipts should be determined to be income or principal,

whether or to what extent expenditures should be charged against principal or income by following the provisions of the Alabama Principal and Income Act as the same shall exist from time to time, and in all instances in which such act does not resolve questions relating to principal and income, to determine the same in the trustee's discretion, always exercising such discretion with due regard to the interest of the beneficiary then entitled to the income thereof.

F. To keep any property constituting a part of said trust estate properly insured against fire, tornado and other hazards, to pay all taxes or assessments, mortgages or other liens now or hereafter resting upon said property, and generally to pay all of the expenses of the trust incurred in the exercise of the powers herein vested in the trustee which, in the trustee's judgment, may be proper or necessary.

G. To make divisions and distributions hereunder provided for either in cash or in kind, or partly in cash and partly in kind, and for that purpose to determine the values thereof, and to determine the identity of persons entitled to take hereunder.

H. To hold any or all securities or other property in bearer form, in the name of the trustee, or in the name of some other person, partnership or corporation without disclosing any fiduciary relation, and to mingle any or all of the property constituting said trust estate in investment with other property held in other trust estates.

I. To vote in person or by proxy upon all stocks held by the trustee, to unite with other owners of similar property in carrying out any plan for the reorganization of any corporation for other securities upon such terms as the trustee shall deem proper, to assent to the consolidation, merger, dissolution or reorganization of any such corporation, to lease the property or any portion thereof of such corporation to any other corporation, to pay all assessments, expenses and sums of money as the trustee may deem expedient for the protection of the interest of the trust estate as the holder of such stocks, bonds or other securities, and generally to exercise in respect to all securities held by the trustee the same rights and powers as are or may be exercised by a person owning similar property in his own right.

J. To institute and defend any and all suits or legal proceedings relating to the said trust estate, in any court, and to employ counsel and to compromise or submit to arbitration all matters of dispute in which said trust estate may be involved, as in the trustee's judgment may be necessary or proper.

K. To execute and deliver any and all contracts, conveyances, transfers, or other instruments, and to do any acts, including the employment of agents, necessary or desirable in the execution of the powers herein vested in the trustee.

L. At any time or from time to time to advance money to the trust estate from their funds for any purpose or purposes of the trust, and may

reimburse themselves for the money advanced and interest thereon from the trust property thereafter coming into his custody from any source.

M. To pay from and out of the income of the trust property any and all expenses reasonably necessary for the administration of the trusts, including interest, taxes, insurance, including public liability insurance and compensation to the trustee, as well as any other expense incurred for the benefit of the trust estate, and in the event the income from the trust property is insufficient for the purposes of paying such expenses, to pay the same from the corpus of the trust estate.

N. To unite with other owners of the property similar to any which may be held at any time in trust in carrying out any plan for the consolidation or merger, dissolution or liquidation, foreclosure, lease, or sale of the property, incorporation, or reincorporation, reorganization or readjustment of the capital or financial structure of any corporation, company, or association the securities of which may form a portion of the estate or trust; to become and serve as a member of any stockholders' or bondholders' protective committee, to present propositions presented, to approve or disapprove what is discussed and to protest against any matter or thing which he might consider contrary to the best interest of the distributees of my estate or beneficiaries of this trust with reference to any such plans and to receive and retain as investments of this trust any new securities issued as a result of the execution of such plan, whether or not they would be authorized investments but for this provision.

3. Notwithstanding any provision to the contrary in sub-paragraph 2 above, the trustee shall not retain beyond a reasonable time any property which may at any time be or become unproductive nor shall the trustee invest in unproductive property.

IN WITNESS WHEREOF, the Donor and the Trustee have hereunto set their hands and seals on the date first stated above.

Mary H. Chiles

MARY H. CHILES

John Chiles

JOHN CHILES

STATE OF ALABAMA)

) A C K N O W L E D G M E N T

JEFFERSON COUNTY)

I, Charles R. Hare, Jr., a Notary Public in and for said County, in said State, hereby certify that MARY H. CHILES and JOHN CHILES, whose names are signed to the foregoing instrument and who are known to me, acknowledged before me on this day, that, being informed of the contents of the instrument they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this the 12th day of January, 1981.

Charles R. Hare, Jr.

EXHIBIT "A"

MARY H. CHILES REVOCABLE TRUST

2000 shares of the capital stock of Huddleston Land and Timber
Company (being all of such shares owned by the Donor).

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Rec. 1650
Ind. 100
1750

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