THE William and Mary Jones LIVING TRUST

We, William Jones and Mary Jones (the “Grantors”), residents of Los Angeles , in the State of California , hereby create The William and Mary Jones Living Trust, by declaration, with the following terms:

**ARTICLE I: CREATION OF TRUST**

The property described in Attachment A, listing the “Initial Trust Property”, is now held by us in trust. This property and any other property later transferred to the trust is the “trust property” and it is our intention that such trust property be held, administered, and distributed as provided in this document and any subsequent amendments to this document.

**ARTICLE II: PURPOSES, TRUSTEES, AND FAMILY DECLARATIONS**

A.  Trust Purposes. The primary purposes of this trust are:

1.  Care of Grantor. To provide for our care and maintenance as long as at least one of us is living;

2.  Avoid Conservatorship. To facilitate management of the trust property in the event of the incapacity of one or both of us; and

3.  Transfer Property at Death. To facilitate transfer of the trust property on the death of the last of us to die with minimal or no court intervention or probate proceedings.

B. Initial Trustee. We are the initial co-trustees of this trust. Each of us may act alone as trustee. Upon the death or incapacity of any one of the initial trustees, the remaining trustee shall be vested with the power to act as sole trustee, except as provided in paragraph C, below (“Successor Trustees”).

C.  Successor Trustees. When the last of the initial trustees ceases to act, due to death, incapacity, or resignation, then William Jones, Jr. shall become trustee of this trust. If this nominated successor trustee fails to, refuses to, or ceases to act, then Jillian Jones-Perkins shall become the trustee of this trust.

D.  Family Information. In connection with the administration of this trust, the trustee may rely on the following family information:

1.  Marital Status. We are married to each other. The date of our wedding was August 19, 1970 .

2.  Children. We have the following living children (List full names and birth dates, or write “None”):

William Jones, Jr., 4/13/1972 ;

Jillian Jones-Perkins, 5/5/1975 ;

Damien Jones, 12/1/1999 ;

; and

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3.  Deceased Children. We have the following deceased children who are survived by issue now living (List or write “None”):

None ;

;

;

; and

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**ARTICLE III: DISTRIBUTIONS DURING GRANTORS’ LIFETIMES**

During the period in which at least one of us is living, the trustee(s) shall pay to or apply for our benefit as much of the income and principal of this trust as any one of us may request, plus such additional sums as the trustee in his/her/their discretion determines are appropriate for our health, education, maintenance, and support in accordance with our accustomed standard of living.

**ARTICLE IV: DISTRIBUTIONS ON DEATHS**

Except upon revocation of this trust, no distribution shall be made hereunder until we both shall die. Upon the death of the last of us to die, the trustee shall distribute the remaining trust property as follows:

A.  Debts of Grantors’ Estates. First, on the death of the last of us to die, the trustee shall pay from the trust property:

1. Estate and Gift Taxes. Any federal or state wealth transfer taxes.

2.  Funeral and Other Final Expenses. The funeral, burial, and other final expenses of the last of us to die not prepaid or otherwise provided for.

3.  Other Debts. The other legally enforceable debts that would be properly payable by the probate estate of the last of us to die if the trust property were included in a probate estate rather than this trust and a timely creditor’s claim was filed against that estate.

4.  Probate and Trust Expenses. Necessary and proper expenses of administration of the probate estate of the last of us to die and of the administration of this trust.

B. Thereafter, to our beneficiaries as follows:

1. Specific distribution(s):

Our friend Thomas Day: $500 cash and our 2004 Chevy Tahoe ;

2. Residuary distribution(s):

All of our children, in equal shares .

C. Disinheritance. We intentionally and with full knowledge of the consequences disinherit to the maximum extent permissible under applicable law, and deliberately provide no distribution under this trust for the following of our children (otherwise, write “N/A” below):

N/A ;

;

;

; and

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**ARTICLE V: ADDITIONAL DISTRIBUTION PROVISIONS**

A.  Trustee’s Distribution Powers. For purposes of making distributions, to the maximum extent permissible under applicable law, we desire that the trustee’s powers include the following:

1.  Nonprorata Distributions. 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 undivided interests, in kind, or partly in kind and partly in money, prorata or nonprorata. The trustee may make sales of the trust property that the trustee considers appropriate to accommodate such distributions.

2.  Power to Delay Distributions. The trustee may delay the division 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, contingent or otherwise, against the trust property. During this period, the trustee may pay the net income of the trust to the beneficiaries entitled to it, and any income not distributed shall on resolution of any tax claim or other liability be payable to the person entitled to it immediately after the trustee receives the income.

B.  Distributions to Underaged Persons. If any person otherwise entitled to outright distribution of any property from this trust is under the age of 25 at the time the right to distribution vests, the trustee shall not make the distribution, but shall, instead, retain the property that would otherwise be distributed in a separate trust for the benefit of the underaged person until the underaged person attains the age listed herein, dies, or immediately prior to the point in time at which any applicable rule against perpetuities would require such trust to terminate, at which time the trustee shall distribute the remaining assets of such separate trust to the underaged person (or his/her estate) outright. Prior to this time, the trustee may make such distributions of the principal or income of the trust as the trustee considers advisable for the underaged person’s support, health, and education. The trustee may make distributions of specific items of tangible personal property to the underaged persons at any time or may hold tangible personal property regardless of whether such property is productive.

C. Distributions to Class of Persons. Whenever a distribution is to be made to a class of persons under this trust, the distribution shall, to the maximum extent permissible under applicable law, be made per stirpes.

D. Mortgages. Any beneficiary of real property under this trust shall take such real property subject to all loans and encumbrances on such real property; a trustee shall have no responsibility to pay off such loans prior to distributing the real property. Except in the case of a specific distribution, this clause shall not be interpreted to prohibit the sale or lease of real property, encumbered or otherwise, by a trustee, and the distribution of the proceeds from such sale or lease.

E. Insurance and Claims. Any specific distribution to a beneficiary hereunder shall include the proceeds of and claims under any insurance policy covering such property.

F. Survivorship. Any beneficiary under this trust who is living at the time of the death of the last of us to die, but who does not survive the last of us to die by at least thirty (30) days, shall be deemed to have predeceased both of us, and no distribution shall be made under this trust to such a beneficiary.

**ARTICLE VI: OFFICE OF TRUSTEE**

A.  Scope of Trustee Provisions. Except as otherwise provided, the provisions of this document concerning the identity, duties, and powers of trustees apply to all trusts established by this document.

B.  Resignation of Trustee. Any trustee may resign at any time by mailing notice to the persons entitled by law to receive such notice and to the co-trustee, successor, or alternate trustee. Unless circumstances are such that it is not necessary to replace the resigning trustee, the resignation becomes effective on the acceptance of office by the successor trustee who replaces the resigning trustee.

C.  Removal of Any Trustee. Any trustee, including the Grantors, may be removed in accordance with applicable law.

D.  Power to Name Successor Trustee. A trustee of this trust shall have the power to name a successor who shall become that trustee’s successor if a successor is required and this document makes no other provision for a successor, or if the successors named in this document are not willing or able to act.

E.  Trustee Compensation. Trustees of any trust created by this document shall not be entitled to compensation but shall be entitled to reimbursement of reasonable expenses incurred in carrying out his/her/their duties.

F. Trustee Powers. Subject to any limitations expressly imposed by this document, a trustee shall have all of the powers provided to trustees by applicable law, including, without limitation, the power to:

1.  Acquire, sell, lease, or rent real and personal property, for cash or on credit, at public or private sale, on such terms as the trustee deems reasonable and advisable in good faith;

2.  Borrow money, with or without security, and mortgage or pledge trust property;

3.  Abandon or decline to administer property of no value or of insufficient value to justify its collection or continued administration;

4.  Make loans from trust property, with or without security interests, including loans to a beneficiary on terms the trustee deems reasonable and advisable in good faith;

5.  Pledge trust property to guarantee loans made by others to a beneficiary; and to

6.  Combine two or more trusts into a single trust or divide a trust into two or more separate trusts. This includes, without limitation, the power to establish a survivor’s or bypass trust or, for incapacitated or disabled beneficiaries, a special needs trust.

G.  Trustee Duties. Except as expressly provided in this document, the trustee has the duties imposed by applicable law, including the duty to report and account to trust beneficiaries, statutory duties to give notice and copies of this document to trust beneficiaries and heirs at law on the death of the last of the Grantors to die, and, except as otherwise provided herein, the duty to invest property in accordance with the Uniform Prudent Investor Act.

H.  Trustee Liability. A trustee of any kind nominated by this document, otherwise designated by the Grantors, or designated as authorized in this document, shall not be liable to any beneficiary for the trustee’s acts or omissions, except in cases of willful misconduct, bad faith, or gross negligence. The previous sentence does not relieve a trustee of any obligation to restore to the trust any benefits received by the trustee as a result of a breach of the terms of the trust. This limitation of liability shall not apply to a person who regularly engages in the business of acting as a trustee.

I. Trustee Bond. To the maximum extent permissible under applicable law, a trustee of any kind nominated by this document, otherwise designated by the Grantors, or designated as authorized in this document, shall serve without bond.

**ARTICLE VII: NO-CONTEST CLAUSE**

If any beneficiary under a trust created by this document shall, directly or indirectly, contest in any court the validity of any trust created by this document, or any will or other document making a transfer to this trust, or shall seek to obtain an adjudication in any proceeding in any court that this trust or any of its dispositive provisions are void, or otherwise seek to void, nullify, or set aside the trust or any of its provisions, then the right of that person to take any interest given to him/her by this document shall be determined as it would have been determined had the person predeceased the execution of this declaration of trust.

**ARTICLE VIII: REVOCATION, AMENDMENT, AND EXERCISE OF APPOINTMENT POWERS**

A.  Grantors’ Power to Revoke and Amend. During the lifetime of either Grantor, either Grantor may revoke or amend all trusts created by this document at any time. On revocation, the trust property shall be delivered to the surviving Grantor(s). This trust shall become irrevocable on the death of the last of the Grantors to die.

B.  Exercise of Powers of Appointment. A power of appointment conferred by this document, other than a power held in a fiduciary capacity by a trustee, may be exercised only by an instrument that specifically refers to both this trust and the specific power being exercised. Such a power must be exercised by will, codicil, or a “qualified lifetime instrument.” For purposes of this paragraph, a qualified lifetime instrument is a written document signed by the power holder. Except in the case of a document executed in accordance with a court order, the document must be personally acknowledged before a notary public by the person signing the document. The document must be delivered during the lifetime of either Grantor to each then-acting trustee of the trust. It being a purpose of this trust to avoid probate, the trustee may distribute trust property in accordance with a will or codicil that has not been probated. In the event of any conflict between the two, the terms of this trust shall control.

**ARTICLE IX: MISCELLANEOUS PROVISIONS**

A. Choice of Law. All trusts created under this document shall be construed in accordance with the laws of the State of California .

B. Severability. The invalidity or unenforceability of any provision of this document shall not affect the validity or enforceability of any other provision of this document. If a court of competent jurisdiction determines that any provision of this document is invalid, the remaining provisions of this document shall remain in full force and effect.

C. Counterparts. This document may be executed in one or more counterparts, each of which shall have the force of an original.

D. Character of Trust Property. Except as otherwise agreed in a separate document, all property transferred to this trust shall retain its character. Without limitation, any community or quasi-community property transferred to this trust shall remain community and quasi-community property, respectively.

E. No Will Contract. Neither Grantor has entered into any contract to make a will.

Executed at Los Angeles , State of California , on this the 1st day of January , 2013.

William Jones

Grantor and Initial Trustee

Mary Jones

Grantor and Initial Trustee

Alan Smithee

Witness #1 Name: Alan Smithee

Address: 1 A St., Apt. B

Los Angeles, CA 90002

Elizabeth Smithee

Witness #2 Name: Elizabeth Smithee

Address: 1 A St., Apt. B

Los Angeles, CA 90002

John Dough

Witness #3 Name: John Dough

Address: One Private Way

Beverly Hills, CA 90210

*This space for notary public:*

STATE OF CALIFORNIA

COUNTY~~/PARISH~~ OF LOS ANGELES

On , before me, , a Notary Public in and for said State, personally appeared , personally known to me (or proved on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the instrument in his/her/their authorized capacit(y/ies) and that by his/her/their signature(s) on the instrument the person(s) executed the instrument.

WITNESS my hand and official seal.

Seal:

THE William and Mary Jones LIVING TRUST

**Attachment A:**

**Initial Trust Property**

The initial trust estate consists of all right, title, and interest of the Grantors in or to any and all of the following property:

1.  Ten dollars cash;

2.  The residence commonly known as 1000 Any St., Los Angeles, CA 90001;

3.  The contents of that residence;

4.  All other real property;

5.  All bank, stock brokerage, and other financial and securities accounts of any kind (but excluding 401k and IRA retirement accounts);

6.  All stocks, bonds, and other securities of any kind (excluding those held in 401k and IRA retirement accounts);

7.  All intangible property, including any indebtedness of any person or entity;

8.  Small business interest: Mary Jones’ share of her business partnership with Thomas Day in their beauty salon business “Los Angeles Hair Care”.

9. N/A

10. N/A

11. N/A

12. N/A