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**STATE OF WASHINGTON
KING COUNTY SUPERIOR COURT**

In re:

SARA LITTLE TURNBULL
FOUNDATION

NO.

ATTORNEY GENERAL'S
TEDRA PETITION FOR
DECLARATION OF RIGHTS
CONSTRUING TRUST
AGREEMENT AS A
MATTER OF LAW

I. INTRODUCTION AND RELIEF REQUESTED

1. The Attorney General of Washington petitions this Court to secure compliance with the Washington Charitable Trust Act, RCW 11.110; to secure the proper administration of a trust, RCW 11.10.120; and under TEDRA, RCW 11.96A, for a declaration of rights, effectively a declaratory judgment, construing a trust instrument as a matter of law.

2. By law, in his capacity as lawyer for the people, the Attorney General represents the public beneficiaries of charitable trusts.

3. Here it is the Sara Little Turnbull Post-Mortem Trust (the Trust) and the Sara Little Turnbull Foundation (Foundation) whose beneficiaries stand to be helped. These beneficiaries are the disadvantaged women whom Sara Little Turnbull wanted to assist by furthering their educational advancement and the general public who would benefit from education and enhancement of public knowledge in the area of design. Two years after Ms. Turnbull's death, despite the consistent, good-faith efforts of a succession of trustees, no

1 beneficiary has yet benefitted, and Sara Little Turnbull's Post-Mortem Trust (the Trust) is
2 being depleted, mainly due to litigation costs. Trustees have faced frequent challenges based
3 on creative but incorrect interpretations of the operative trust instrument. In this situation, a
4 declaratory judgment or declaration of rights construing the Trust Agreement as a matter of
5 law will allow the Trustee to do his job under the Trust Agreement: to lay the groundwork for
6 obtaining \$400,000 in tax refunds (which includes completing an IRS filing by the end of
7 2017), to get The Sara Little Turnbull Foundation (the Foundation) in position to commence
8 grant-making, and to begin the work of helping the intended beneficiaries.

9 4. To that end, the Attorney General seeks a declaratory judgment that:

10 (a) The Trust Agreement is clear and unambiguous, and extrinsic evidence
11 of the Trustor's alleged communications about her intent is neither required nor appropriately
12 used to construe that Trust Agreement;

13 (b) The Trust Agreement clearly called for the formation, upon the death of
14 Sara Little Turnbull, of a Sara Little Turnbull Foundation in the form of a trust;

15 (c) The Trustee's formation of a private, grant-making Foundation was
16 consistent with the Trust Agreement;

17 (d) The Foundation's purpose is to make grants to tax-exempt 501(c)(3)
18 organizations to further the educational advancement of disadvantaged women and both
19 education and enhancement of public knowledge in the area of design;

20 (e) The Court-appointed Trustee of the Foundation has the lawful powers of
21 a trustee, with a few enumerated exceptions;

22 (f) The Board of Special Trustees is empowered to direct the Trustee of the
23 Foundation which grants to make and in what amounts, and has no other duties under the Trust
24 Agreement except to choose successor Special Trustees and to replace the Trustee if the
25 Trustee resigns without designating a successor; and
26

1 (g) The Special Trustee for Tangible Personal Property has powers of a
2 trustee only as to the tangible personal property held by the Trust; if the Special Trustee sells
3 or uses the tangible personal property to produce income, the Special Trustee must remit the
4 proceeds to the Trustee.

5 5. Sara Little Turnbull left millions of dollars and a Trust Agreement instructing
6 that her assets be used to further the education of disadvantaged women. The Attorney
7 General's mission is to make sure they are.

8 II. PARTIES

9 6. The Petitioner is the Attorney General of Washington, a constitutional officer
10 with authority to represent the State of Washington and the public. He has authority under the
11 Washington Charitable Trust Act and case law to participate in charitable trust matters to
12 represent public beneficiaries, who in this matter are disadvantaged women studying design
13 and members of the public who would benefit from public education regarding design.

14 7. Bruce Moen is the Court-appointed Trustee (Trustee) of the Sara Little Turnbull
15 Post-Mortem Trust and the Sara Little Turnbull Foundation.

16 8. Dr. Walter Bortz is a Special Trustee and one of several members of the Board
17 of Special Trustees (the "Board"). He resides in Portola Valley, California.

18 9. Janice Crosta is the investment advisor for the Trust and Foundation pursuant to
19 Section 8.3 of the Trust Agreement. She resides in King County, Washington.

20 10. Dorothy Dunn is a Special Trustee and one of several members of the Board.
21 She resides in Dobbs Ferry, New York.

22 11. Larry Eisenbach is a Special Trustee and one of several members of the Board.
23 He resides in Portland, Oregon.

24 12. Colleen Hera is a Special Trustee and one of several members of the Board. She
25 resides in Millbrae, California.

1 13. Paula Rees is Special Trustee for Tangible Personal Property, a member of the
2 Board, and one of two Special Trustees with Authority to Remove and Replace Corporate
3 Trustees. She resides in King County, Washington.

4 14. Shannon Scott is, with Paula Rees, one of two Special Trustees with Authority
5 to Remove and Replace Corporate Trustees. She resides in King or Snohomish County,
6 Washington.

7 15. Mark Shieh is a Special Trustee and one of several members of the Board. He
8 resides in British Columbia, Canada.

9 16. Pursuant to RCW 11.96A.110 of the Trust and Estates Dispute Resolution Act
10 (TEDRA), all parties entitled to receive notice under RCW 11.96A.030 shall be served with
11 the appropriate notice at least twenty days before the hearing on the Petition, or have waived
12 notice under RCW 11.96A.140. An affidavit of mailing will be filed with the Court prior to the
13 hearing date.

14 III. JURISDICTION AND VENUE

15 17. The Attorney General may “institute appropriate proceedings to secure
16 compliance with this chapter and to secure the proper administration of any trust”
17 RCW 11.110.120. In addition, under TEDRA, RCW 11.96A, any party may initiate a “judicial
18 proceeding for the declaration of rights and legal relations with respect to any matter, as
19 defined by RCW 11.96A.030.” A “matter” is defined broadly to include any issue, question, or
20 dispute involving: “[t]he direction of a . . . trustee to do or abstain from doing any act in a
21 fiduciary capacity ...[or] [t]he amendment, reformation, or confirmation of a . . . trust
22 instrument” RCW 11.96A.030(2)(b), (f). The Attorney General, as “representative of the
23 public beneficiaries,” is a necessary party to judicial proceedings relating to charitable trusts.
24 RCW 11.110.120.

25 18. Venue is proper under RCW 11.96A.050(1)(b) because Trustee Bruce Moen
26 resides and has his place of business in King County.

1 **IV. STATEMENT OF FACTS**

2 **A. The Sara Little Turnbull 1989 Living Trust**

3 19. Sara Little Turnbull was a well-known product designer who died at the age of
4 97 in Seattle, Washington, on September 3, 2015.

5 20. Turnbull maintained her real and personal property in a trust created by the Sara
6 Little Turnbull 1989 Living Trust Agreement. The operative document governing the trust is
7 the Second Amendment and Restatement of the Sara Little Turnbull 1989 Living Trust (2009)
8 (referred to throughout as the Trust Agreement). Declaration of John K. Eason (Eason Decl.),
9 Ex. A¹. Upon Ms. Turnbull's death, the Trust became irrevocable. See Eason Decl. Ex. A,
10 Trust Agreement § 2.3. Because the Trust is no longer a "living" trust, it is now known as the
11 Sara Little Turnbull Post-Mortem Administrative Trust.

12 **B. What Should Have Happened When Ms. Turnbull Died**

13 21. Ms. Turnbull left clear instructions. When she died, the Trustee was to create a
14 foundation. It was to be in the form of a trust. It was to be tax-exempt. Its purpose was to make
15 grants to other tax-exempt organizations. Those grants were to support two purposes: "to
16 further the educational advancement of disadvantaged women and both education and
17 enhancement of public knowledge in the area of design." The Board was to direct the Trustee
18 to distribute the net income, and so much of the principal of the Foundation as the Board
19 determined, in grants to further those causes identified by Ms. Turnbull. The Trustee was to
20 have the statutory powers of a trustee. The Special Trustee for Tangible Personal Property was
21 to take care of the tangible personal property and, if she sold it or invested it for income, to
22 remit the proceeds to the Trustee.

23 **C. What Happened Instead**

24 22. Two years and 15 days in, some of that has actually happened. The original

25 ¹ Hereinafter, all references to Ex. A are to the Trust Agreement attached as Exhibit A to the Declaration
26 of John K. Eason.

1 Trustee did create a private foundation in the form of a trust. Its smooth path to becoming a
2 tax-exempt grant-making foundation, however, was interrupted by a series of roadblocks
3 thrown up by members of the Board who had other ideas. They incorrectly alleged that the
4 Trust Agreement was hopelessly ambiguous, that the foundation need not be a trust, that it
5 need not have a trustee, that it should be administered entirely by the Board, that it would focus
6 not on making grants, but on arranging, displaying and curating the tangible personal property
7 to raise money, some of which might eventually be used to make grants. They want the
8 Foundation to be all about the tangible personal property. To that end, they have engaged in a
9 series of disputes with the Trustees, and so far the history of the Turnbull Foundation is the
10 history of litigating those disputes.

11 23. All told, the other parties have filed eight prior TEDRA petitions relating to the
12 Trust and Foundation. Expensive disputes continue to rage. Earlier disputes included whether
13 the Special Trustee for Tangible Personal Property could display the tangible personal property
14 in her business office and charge a fee for people to see it, and whether a prior trustee was
15 allowed to have the tangible personal property appraised. Some of the latest, which threaten to
16 be litigated, are worse.

17 24. This would be maddening even if all the lawyers were donating their time. In
18 fact, they are not. To end the expensive litigation and move forward with the business of
19 making grants, the Attorney General respectfully asks this Court to make some needed rulings
20 on the meaning of the Trust Agreement as a matter of law. Once those basic issues are settled,
21 most² of the rest should resolve themselves.

22 V. EVIDENCE RELIED UPON

23 25. For purposes of seeking a ruling as a matter of law on what the Trust
24 Agreement says, the Attorney General relies upon two declarations and one exhibit. The

25 ² Attorneys' fees for past and continuing disputes will continue to be at issue, but we hope a definitive
26 ruling on this Petition will at least stop the fees from mounting.

1 exhibit, attached to this Petition, is the Trust Agreement itself. The declarations are from the
2 current Trustee of both the Trust and the Foundation, Bruce Moen, a distinguished attorney;
3 and Professor John K. Eason, a tenured professor of law at Seattle University, previously a
4 tenured professor at Tulane Law School, and a summa cum laude graduate of Duke Law
5 School who has practiced and taught Nonprofit and Tax-Exempt Organizations for 25 years.
6 Professor Eason has published and practiced extensively in the areas of foundations, trusts,
7 nonprofits corporations, obtaining 501(c) status for private foundations and public charities. He
8 has “particular expertise in the legal profession’s standards and practices with respect to donor
9 intent, its expression, preservation, usurpation, and limitations, and discerning donor intent
10 from documents that express it.” Eason Decl., ¶ 2. Given the variety of assertions made about
11 how donor intent is expressed and interpreted, it has been helpful to the Attorney General’s
12 Office to consult with Professor Eason, and we believe his perspective will prove quite
13 valuable to the Court as well.

14 VI. STATEMENT OF LAW

15 A. The Trust Agreement is clear and unambiguous.

16 26. The Trust Agreement unambiguously expresses Ms. Turnbull’s intent to create
17 a private, non-operating (grant-making) foundation, organized as a Trust, tax-exempt, and
18 administered by a professional trustee. Eason Decl., ¶¶ 5-6, 14-15, 18. Interpretation of a will
19 or trust agreement is a question of law. *In re Washington Builders Benefit Tr.*, 173 Wn. App.
20 34, 75-76, 293 P.3d 1206 (2013). In construing a trust, the intent of the trustor controls.
21 *Eisenbach v. Scheider*, 140 Wn. App. 641, 651, 166 P.3d 858 (2007). “[T]he intent of the
22 [trustor] should be ascertained from the language of the instrument itself.” *Id.* Where a trust’s
23 language is unambiguous, the trust does not require interpretation or construction, and the
24 court cannot alter the settlor’s intent by interpreting or construing the language used otherwise.
25 *In re Wash. Builders Benefit Tr.*, 173 Wn. App. at 75-76.

26 27. Section 6.2.3 of the Trust Agreement expressly establishes that the “Foundation

1 shall be organized in the form of a Trust” Ex. A, § 6.2.3; Eason Decl., ¶6-14. That ought
2 to settle the matter, but in spite of the clarity of this instruction, some have argued that it is
3 muddled by §§ 6.1 and 6.2’s references to the possibility that during Ms. Turnbull’s lifetime,
4 she or her attorney-in-fact might have created “such foundation, supporting organization or
5 directed fund,” or by the reference in § 7.3 to the possibility that “a private foundation,
6 supporting organization or directed fund” might be created upon Ms. Turnbull’s death. *See* Ex.
7 A. First, there is no inherent conflict between and amongst any of those sections, because any
8 of those three – foundation, supporting organization, or directed fund – can be formed as a
9 trust. Eason Decl., ¶ 10.

10 28. Second, and more to the point, § 6.2 makes it very clear that

11 Unless a private foundation, supporting organization or directed fund has
12 been established during Grantor’s lifetime, the Trustee is hereby directed
to form a foundation under the following guidelines (the “Foundation”).

13 Ex. A, § 6.2. Everyone agrees that no foundation, supporting organization, or directed fund
14 was established during Grantor’s lifetime, so plainly, then, the Trustee was “directed to form a
15 foundation under the following guidelines.” The guidelines that follow say, again quite plainly,
16 “The Foundation shall be organized in the form of a Trust.” Ex. A, § 6.2.3. There is no
17 conflict and no ambiguity. As to § 7.3, which refers to the trustee having a choice post-mortem,
18 Professor Eason observes that the Trust Agreement uses the terms “foundation” and “private
19 foundation” interchangeably. Eason Dec., ¶ 12. He counsels that the document is to be read as
20 a whole, *see Estate of Douglas*, 65 Wn.2d 495, 499, 398 P.2d 7 (1965), and concludes that:

21 Reading the Trust Agreement as a whole clearly indicates that when Turnbull
22 instructs her trustee to create a “foundation,” she intended for her trustee to
23 create a state law trust entity that would be classified as a private foundation
under federal tax laws. *See* Sects. 6.1, 6.2, 6.2.3, & 7.3. There is no ambiguity
in this regard.

24 Eason Dec., ¶ 13.

25 29. Another alleged ambiguity relates to the tangible personal property. The Trust
26 Agreement addresses the tangible personal property only by stating it will pass to the

1 Foundation, §§ 5.1 and 5.2, by directing one Special Trustee to take care of the tangible
2 personal property, and by allowing that Special Trustee to invest the **tangible** personal
3 property for income or sell it, as long as the Special Trustee remits the proceeds to the Trustee.

4 Ex. A, § 7.2. As Professor Eason observes,

5 This directive makes clear that Turnbull did not require or expect that tangible
6 personal property, held under the Trust Agreement after her death, would be
7 held indefinitely by the Foundation or be treated as property that was central to
accomplishment of Turnbull's charitable purposes.

8 Eason Dec. ¶ 24. There is no ambiguity here, merely a conflict between the Trust Agreement
9 and what some wish it said.

10 **B. The organization that the Trust Agreement states is to be created upon the death
11 of Sara Little Turnbull (the Foundation) must be organized in the form of a trust.**

12 30. Again, the Trust Agreement states clearly that the Foundation was to be formed
13 as a trust. Ex A., § 6.2.3. There is no ambiguity about this requirement, as explained above,
14 and again by Professor Eason at Dec., ¶¶ 6-14. The Foundation was plainly to be formed as a
15 trust, and in fact already has been. *Id.* at ¶ 14.

16 **C. The Trustee's selection of a private, grant-making Foundation is consistent with
17 the Trust Agreement.**

18 31. The Trust Agreement instructs the Trustee to form a foundation in the form of a
19 trust, and § 7.3 refers to three option for its tax status: supporting organization, directed fund,
20 or private foundation. Professor Eason concludes that the Trust Agreement as a whole meant
21 that the Trustee was to form a private foundation. Eason Dec., ¶ 13. And of course it was to be
22 a grant-making foundation since the Trust Agreement says its purpose is to "make grants to
various qualifying grant-making organizations." Ex. A, § 6.2.1.

23 32. Sections 6.2.1 and 6.2.4 of the Trust Agreement provide that "the Foundation
24 shall be established to provide grants to various qualifying charitable organizations... to further
25 the education advancement of disadvantaged women and both educational advancement of
26 disadvantaged women and both education and enhancement of public knowledge in the area of

1 design” and to make distributions of its net income and principal in furtherance of such
2 purpose. The Trust Agreement contemplates that the Foundation could be set up as a “private
3 foundation, supporting organization, or directed fund.” Ex. A, §§ 6.1, 7.3. However, the
4 Trustee is provided discretion between these three options, as long as they otherwise obtain
5 501(c)(3) status.

6 33. Reading the Trust Agreement as a whole, it is clear that the Foundation was
7 properly created as a private grant-making foundation.

8 **D. The Foundation’s purpose is to make grants to tax-exempt 501(c)(3) organizations
9 to further the educational advancement of disadvantaged women and both
10 education and enhancement of public knowledge in the area of design.**

11 34. The Trust Agreement says:

12 General Purpose. The Foundation shall be established to provide grants to
13 various qualifying charitable organizations. It is Grantor’s intent that this
14 Foundation be used at a minimum to **further the educational advancement of
15 disadvantaged women and both education and enhancement of public
16 knowledge in the area of design.**

17 Section 6.2.1 (emphasis added).

18 35. Grants may be made only to tax-exempt charitable organizations. Ex A., § 6.2.2.
19 And where the Trust Agreement says the Board gets to tell the Trustee which grants to make, it
20 adds that “the Board’s discretion shall be subject to the intentions as set forth herein and the
21 requirements, express or implied, of Section 6.2.2”—essentially repeating that grants may only
22 be made to tax-exempt organizations. Ex A., § 6.2.4.

23 36. Nothing in the Trust Agreement conflicts with this stated purpose. The mission
24 of the Foundation is clear: assist the educational advancement of disadvantaged women and
25 education of the public in the area of design.

26 **E. The Court-appointed Trustee of the Foundation has the statutory powers of a
Trustee.**

37. This is another point that is clear. The Trust Agreement says, “Except as
otherwise limited by the terms of this Trust Agreement, the Trustee shall have all of the

1 powers, authority and discretion conferred by Washington law.” Ex. A, § 8.1. The sections that
2 follow list a number of other powers. *Id.* at §§ 8.1-8.5.

3 38. The only restrictions on the powers of the Trustee that are spelled out in the
4 Trust Agreement are:

5 a. The Trustee is required to delegate investment authority to one Janice
6 Crosta, Ex. A, § 8.3;

7 b. The Special Trustee for Tangible Personal Property is essentially the
8 trustee for purposes of the tangible personal property, but with some strict limits:

9 (1) Her powers related only to the tangible personal property, Ex. A,
10 § 7.2;

11 (2) Her reasonable compensation for services rendered is subject to
12 the Trustee’s discretion, *Id.*; and

13 (3) If she derives income from the tangible personal property or sells
14 all or part of it, she must remit the proceeds to the Trustee. *Id.*

15 c. The Trustee may be removed without cause by two particular Special
16 Trustees, currently Paula Rees and Shannon Scott, but only if they do so “acting jointly.”
17 Ex. A, § 7.4.

18 39. Professor Eason says the Trustee is “the primary fiduciary under the Trust
19 Agreement, vested with all responsibilities and powers not otherwise expressly conferred upon
20 any other fiduciary.” Eason Dec., ¶ 19. With the exception of these specific limits, the Trustee
21 has all the lawful powers of a trustee.

22 **F. The Board of Special Trustees is empowered to direct the Trustee of the**
23 **Foundation which grants to make and in what amounts, and has no other duties**
24 **under the Trust Agreement except to choose successor Special Trustees and to**
25 **replace the Trustee if the Trustee resigns without designating a successor.**

26 40. Under § 7.3, the Trust Agreement, if a Private Foundation is created upon Ms.
Turnbull’s death, then six designated persons will sit as the Board. This Board is “to exercise

1 the powers conferred upon them under Section 6.2 above.” Ex. A, § 7.3. And the relevant part
2 of § 6.2 is § 6.2.4, which states:

3 Grant Making. The Board of Special Trustees appointed in accordance
4 with the terms of Section 7.3 below shall direct the Trustee to distribute
5 the net income and so much of the principal of the Foundation to
6 qualifying charitable organizations, and in such amounts or portions
among them, as the Board shall determine in its sole discretion; provided,
however, that the Board’s discretion shall be subject to the intentions as
set forth herein and the requirements, express or implied, of Section 6.2.2.

7 Ex. A, § 6.2.4.

8 41. Therefore, the Board gets to tell the Trustee what grants to make and in what
9 amounts. Board members may also appoint their own successors. Ex. A, § 7.3. Finally, if the
10 Trustee departs without designating a successor, then the Board may choose a successor
11 Trustee., Ex. A, § 7.1.

12 42. These are the powers of the Board that are enumerated in the Trust Agreement,
13 and they are the Board’s only powers. It has been suggested by some on the Board that because
14 the title of Ex. A, § 7.3 is “Board of Special Trustees for Administration of Foundation,”
15 perhaps the Board can exercise powers more broadly, as if it were the board of directors of a
16 corporation. But there is no support for this position in the Trust Agreement. This Board is not
17 Congress with its elastic clause. Professor Eason opines that “Through both authorization and
18 omission, Turnbull very clearly expresses her intention that those persons comprising the
19 Board shall not have control over the Foundation or its assets, and that their decisions must
20 further Turnbull’s intentions as expressly set forth in the Trust Agreement.” Eason Dec., ¶ 21.

21 Professor Eason continues:

22 Turnbull clearly never intended to grant the Board the type of control or
23 authority typically associated with a Board of Directors of a nonprofit
24 corporation. Under the Trust Agreement, the Board is a board in name only, and
could have just as accurately been designated as “Advisors to the Trustee for the
Limited Purpose of Identifying Grant Recipients.”

25 Eason Dec., ¶ 22.
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1 Trustor's communications about her intent is neither required nor appropriately used to
2 construe that Trust Agreement;

3 b. The Trust Agreement clearly called for the formation, upon the death of Sara
4 Little Turnbull, of a Sara Little Turnbull Foundation in the form of a trust;

5 c. The Trustee's selection of a private, grant-making Foundation was consistent
6 with the Trust Agreement;

7 d. The Foundation's purpose is to make grants to tax-exempt 501(c)(3)
8 organizations to further the educational advancement of disadvantaged women and both
9 education and enhancement of public knowledge in the area of design;

10 e. The Court-appointed Trustee of the Foundation has the lawful powers of a
11 Trustee, with a few enumerated exceptions;

12 f. The Board of Special Trustees is empowered to direct the Trustee of the
13 Foundation which grants to make and in what amounts, and has no other duties under the Trust
14 Agreement except to choose successor Special Trustees and to replace the Trustee if the
15 Trustee resigns without designating a successor; and

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1 g. The Special Trustee for Tangible Personal Property has powers of a trustee only
2 as to the tangible personal property held by the Trust; if the Special Trustee sells or uses the
3 tangible personal property to produce income, the Special Trustee must remit the proceeds to
4 the Trustee.

5 Respectfully submitted this 19th day of September, 2017.

6 Presented By:

7 ROBERT W. FERGUSON
8 Attorney General

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10 DAVID M. HORN, WSBA #13514
11 Senior Counsel
12 AMY TENG, WSBA #50003
13 Assistant Attorney General
14 Attorneys for Petitioner, State of Washington
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EXHIBIT A

**THE SECOND AMENDMENT AND RESTATEMENT
OF THE SARA LITTLE TURNBULL
1989 LIVING TRUST AGREEMENT**

(2009)

This Second Amendment and Restatement of the Sara Little Turnbull 1989 Living Trust Agreement ("Agreement") is made effective November 30, 2009, between SARA LITTLE TURNBULL ("Grantor") and ELAINE P. ADAMS, of Weyburn Fiduciary Services, Inc. ("Trustee"). The Trust modified by this Agreement shall continue to be known as the SARA LITTLE TURNBULL 1989 LIVING TRUST (the "Trust") as amended and restated.

1. TRUST PROPERTY

Grantor has previously transfer certain property to the Trust for administration hereunder and reserves the right to contribute additional property to this Trust from time to time. The Trustees agree to administer all contributed property pursuant to the terms of this Agreement.

2. REVOCATION AND AMENDMENT

2.1 During Grantor's Lifetime. During Grantor's lifetime, Grantor shall have the right to revoke this instrument in its entirety, to partially revoke or modify this instrument or to withdraw from the operation of the Trust any part of the trust property.

2.2 Exercise of Powers. The powers retained immediately above shall be exercisable either by Grantor, by a guardian of Grantor's person or estate, or by a person given such power by durable power of attorney or similar instrument executed before or after the execution of this Agreement, provided however, that the power of revocation conferred upon the attorney-in-fact under a durable power of attorney or similar instrument shall be limited to the powers expressly contained therein.

2.3 Upon Grantor's Death. Upon Grantor's death, the Trust shall become irrevocable.

3. FAMILY

At the time of executing this Trust Agreement, Grantor is not married and has no naturally born or adopted children.

4. ADMINISTRATION DURING GRANTOR'S LIFETIME

As long as Grantor is living, the Trustees shall make such distributions of income and principal to or for the benefit of Grantor as Grantor shall direct. If Grantor is disabled, the Trustee may either continue or discontinue any distribution previously directed, and thereafter the Trustee shall be authorized and directed to make distributions of income and principal for the health, support and maintenance of Grantor according to Grantor's accustomed standard of living.

5. GENERAL DISPOSITION UPON GRANTOR'S DEATH

5.1 Tangible Personal Property. Grantor may prepare a memorandum, in Grantor's handwriting or signed by Grantor, directing the disposition of Grantor's interests in such tangible personal property (as described in Article 11) as may be owned by the Trust. Tangible personal property not so specifically disposed of shall pass as a part of the residue of the trust estate and be distributed in accordance with Section 5.2 below.

5.2 Disposition of Residue. The remainder of the trust estate shall be distributed to THE SARA LITTLE TURNBULL FOUNDATION.

6. THE SARA LITTLE TURNBULL FOUNDATION

6.1 Definition. Any reference herein to "THE SARA LITTLE TURNBULL FOUNDATION" shall mean such foundation, supporting organization or directed fund established during Grantor's lifetime by Grantor or Grantor's attorney-in-fact under a durable power of attorney or, if no such foundation, supporting organization or directed fund exists at the time of Grantor's death, then the foundation to be created by the Trustee pursuant to Section 6.2 below.

6.2 Postmortem Formation. Unless a private foundation, supporting organization or directed fund has been established during Grantor's lifetime, the Trustee is hereby directed to form a foundation under the following guidelines (the "Foundation").

6.2.1 General Purpose. The Foundation shall be established to provide grants to various qualifying charitable organizations. It is Grantor's intent that this Foundation be used at a minimum to further the educational advancement of disadvantaged women and both education and enhancement of public knowledge in the area of design.

6.2.2 Tax-Exempt Status. It is Grantor's intention that the Foundation qualify or is qualified for an exemption from Federal income tax under Section 501(a) of the Code as an organization described in Section 501(c)(3) of the Code and that any transfers to the Foundation under this Agreement qualify for the gift and/or estate tax charitable deduction. In this regard, it is intended that the Foundation limit its financial support to organizations that have qualified for exemption from federal income tax under Section 501(c)(3) of the Internal Revenue Code and to which contributions are deductible under Sections 170(e) or 2055 of the Code.

6.2.3 Form of Organization. The Foundation shall be organized in the form of a Trust. The operation of the trust and the management of its affairs and property shall be in accordance with the terms of this Agreement.

6.2.4 Grant Making. The Board of Special Trustees appointed in accordance with the terms of Section 7.3 below shall direct the Trustee to distribute the net income and so much of the principal of the Foundation to qualifying charitable organizations, and in such amounts or portions among them, as the Board shall determine in its sole discretion; provided, however, that the Board's discretion shall be subject to the intentions as set forth herein and the requirements, express or implied, of Section 6.2.2.

7. TRUSTEE SUCCESSION

7.1 In General. ELAINE P. ADAMS, of Weyburn Fiduciary Services, Inc., shall have the lifetime power to designate for appointment without court proceedings a succession of alternate trustees to serve when and if she is ever unable or unwilling to serve. Any such designation shall be written and acknowledged. If no successor trustee has been designated and there is a trustee vacancy, the Board of Special Trustees of the Foundation serving under Section 7.3 below may, by majority vote, appoint a successor without court proceedings.

7.2 Appointment of Special Trustee for Tangible Personal Property. PAULA REES shall serve as Special Trustee for all tangible personal property held by the Trust. The Special Trustee shall serve as sole Trustee with respect to such property and shall hold title solely in her name as Special Trustee under this instrument. With respect to such property only, all of the powers, duties, and obligations granted to the Trustee by this instrument shall be exercised solely by the Special Trustee. The Trustee shall not be responsible for overseeing the actions of the Special Trustee. The Special Trustee may receive reasonable compensation (determined in the Trustee's discretion) for services rendered in such capacity, provided, however, that the value of the property under the control of the Special Trustee shall not be considered when calculating that compensation. The Trustee shall be absolved from all liability arising out of the exercise or nonexercise of the powers herein granted to the Special Trustee. The net income and the proceeds of sale of all or any part of such property shall be remitted to the Trustee to be administered under this instrument.

7.3 Appointment of Board of Special Trustees for Administration of Foundation. If a private foundation, supporting organization or directed fund is created upon Grantor's death in accordance with Section 6.2 above, the following group of individuals shall comprise the Board of Special Trustees to exercise the powers conferred upon them under Section 6.2 above: 1) Dr. Walter Bartz, 2) Paula Rees, 3) Dorothy Dunn, 4) Colleen Hera, 5) Jim Collins, and 6) James Rogers. Each of these named individuals shall have the power to appoint a succession of successor Special Trustees to serve in their place should they ever become unable or unwilling to serve. Such appointments shall be written and acknowledged. The last named successor in each appointment shall also have the power to appoint successors even if such power is not directly conferred in the written appointment. There shall always be a minimum of three Special Trustees serving as members of the Board. If the third-to-last Special Trustee fails to appoint a successor, the other two remaining Special Trustees shall select a replacement Special Trustee by unanimous vote.

7.4 Appointment of Special Trustees with Authority to Remove and Replace Corporate Trustees. The Grantor hereby appoints PAULA REES and LUKE E. THOMAS as co-Special Trustees who shall have the power acting jointly to remove and replace any professional trustee serving as Trustee or co-Trustee under the Trust Agreement. Such professional trustee may be removed by the Special Trustees named herein (or their appointees) at any time without cause and without court approval by delivery to such professional trustee written notice of its removal signed by the co-Special Trustees and accepted by the replacement professional trustee. The replacement corporate trustee shall be selected by the co-Special Trustees in their sole and absolute discretion. Any co-Special Trustee serving under this Paragraph 7.4 shall have the

power to nominate a succession of alternate successor co-Special Trustees to serve in the event that such serving co-Special Trustee ever resigns fails or otherwise ceases to serve. In the event that one of the co-Special Trustees serving under this Section 7.4 resigns, fails or otherwise ceases to serve and has not nominated a successor co-Special Trustee, the remaining Special Trustee shall continue to serve alone.

8. FIDUCIARY POWERS AND COMPENSATION

8.1 In General. Except as otherwise limited by the terms of this Trust Agreement, the Trustee shall have all of the powers, authority and discretion conferred by Washington law. The Trustee shall not be required to furnish annual statements of account under RCW 11.106.020; provided, however, that upon the Board's reasonable request, the Trustee shall furnish such beneficiary with a current statement of assets and liabilities of the Trust together with a summary of current account activities of the Trust. The Trustee shall have the authority to make all elections involved in the application of state and federal taxes to the trust and beneficiaries and shall have no liability to any beneficiary on account of taxes allocable to a beneficiary's interest resulting from an election made in good faith.

8.2 Enumerated Powers. The following enumerated powers are implied by the law of the State of Washington. In enumerating these powers Grantor in no way means to dilute or eliminate the implied powers not specifically enumerated:

8.2.1 Securities. The Trustee shall be authorized to acquire and hold all manner of securities whether publicly traded or closely held. Respecting such securities as are acquired or held by the Trust at any time, the Trustees are authorized to acquire the same on margin, trade options, buy/sell puts and calls, and is authorized to freely trade, mortgage, hypothecate, pledge or otherwise encumber the same.

8.3 Delegation of Investment Authority: Notwithstanding any other contrary provisions of this Trust Agreement, the Trustee shall delegate its investment authority to JANICE ("Jann") CROSTA or such other professional investment advisor nominated by her in the future. Although JANICE CROSTA is currently employed by McAdams Wright Ragen, this delegation of investment authority is to JANICE CROSTA (and her future designees) personally and not to McAdams Wright Ragen. Therefore, all investment decisions shall continue to be made by JANICE CROSTA (and her future designees) irrespective of her (or their) place of future employment. The Trustee shall be absolved of any and all liability regarding investment decisions of the Trust when acting in reliance on directions from JANICE CROSTA (or her future designees).

8.4 Extraordinary Powers. Grantor desires that the Trustee have sufficient authority to avail the Trust and its beneficiaries of any opportunities under existing and future laws that may require extraordinary action; S corporation shareholdership qualification and generation skipping transfer tax minimization being examples of such opportunities. To this end, Grantor confers upon Trustee the power to divide trusts into separate shares, to create new trusts for the purposes of holding specific property or for holding undivided interests in trust assets, or create limited powers of appointment exercisable by specific beneficiaries, all to be consistent with, though not necessarily in literal compliance with, the dispositive scheme set forth in this

Agreement. No Trustee who is also a beneficiary under this Agreement shall be qualified to exercise these powers. If there is no qualified Trustee at the time that the exercise of such a power is called for, the Trustee may request a judicial appointment of a qualified independent trustee to consider the situation then at hand and to proceed in the independent trustee's discretion with the powers as set forth herein.

8.5 Compensation. The Trustee shall be entitled to reasonable compensation which may include compensation in accordance with the Trustee's standard fee schedule.

9. TAXATION

The Trustee may pay any estate or inheritance taxes properly charged by law against the Trust estate by reason of Grantor's death. To the extent governed thereby, all estate, inheritance and succession taxes payable by reason of Grantor's death, if any, shall be apportioned in accordance with the Washington Estate Tax Apportionment Act, except that gifts of tangible personal property under Grantor's will and gifts under Article 5 hereof shall bear no portion of such taxes.

10. ABSTRACT OF TRUST

Any transfer agent or other party involved in the transfer of assets to the Trust, the sale to or the purchase of assets from the Trust, the mortgage or lease of trust property, or any other transaction involving the Trust, may request and rely upon an Abstract of Trust certified by the Trustee and confirming the Trust's existence, the Trustee's appointment, the Trustee's authority to act on behalf of the Trust, the law governing the Trust's operation and the ability of third parties to rely on such Abstract.

11. DEFINITIONS AND CONSTRUCTION

11.1 Context. As the context may require, the gender of all words used herein shall include the masculine, the feminine and neuter, and the singular of all words shall include the plural and the plural the singular.

11.2 Governing Law and References. This Agreement shall be governed by Washington law and by applicable federal law. All references made to the statutes or legislative acts of any jurisdiction include any amendments and successor legislation.

11.3 Trust Estate. The term "trust estate" shall mean all property contributed by Grantor however contributed, whether directly, by bequest under Grantor's will, or by beneficiary designation under a life insurance or annuity policy, a retirement plan of Grantor's employer, an individual retirement account or otherwise.

IN WITNESS WHEREOF, the parties have executed this Agreement effective the date first above written.

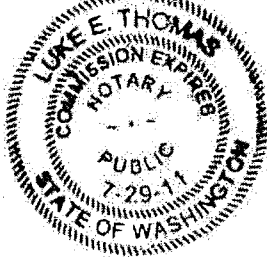
GRANTOR:
[Signature]
SARA LITTLE TURNBULL

TRUSTEE:
[Signature]
ELAINE P. ADAMS, of Weyburn Fiduciary Services, Inc.

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this day personally appeared before me SARA LITTLE TURNBULL, to me known to be the Grantor described in and who executed the within and foregoing instrument, and acknowledged that she signed the same as her free and voluntary act and deed, for the purposes therein mentioned.

Given under my hand and official seal on November 30 2009.

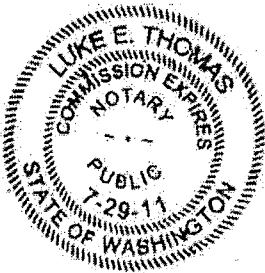


[Signature]
NOTARY PUBLIC in and for the State of Washington
Residing at Mercer Is, WA
My appointment expires 7/29/2011

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this day personally appeared before me ELAINE P. ADAMS, of Weyburn Fiduciary Services, Inc., to me known to be the Trustee described in and who executed the within and foregoing instrument, and acknowledged that she signed the same as her free and voluntary purposes therein mentioned.

SIGNED AND SWORN TO (or affirmed) before me on December 1, 2009.



[Signature]
NOTARY PUBLIC in and for the State of Texas
Luke Thomas
(Printed or Stamped Name of Notary)
Residing at Mercer Is, WA
My appointment expires 7/29/2011