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SMITH COUNTY, TEXAS  
B. C. OWEN  
DEPUTY

# Last Will and Testament

OF

LOUIS WALTER OWEN

I, LOUIS WALTER OWEN, a resident of Smith County, Texas, being of sound mind, declare that this is my Last Will and Testament, and I revoke all my prior wills and codicils.

## SECTION I

### IDENTITY OF FAMILY

A. My Spouse. All references in this Will to "my spouse" mean ALBERTA MARIE OWEN.

B. My Children. All references in this Will to "my children" mean JOHN KERMIT OWEN, CELESTE ANN REKIETA and LOUIS PAUL OWEN. All references in this Will to a "child" mean any one of my children.

C. My Descendants. All references in this Will to "my descendants" mean my children and their descendants.

## SECTION II

### PROPERTY PASSING UNDER THIS WILL

Under this Will I am disposing of all my interest in property over which a person with testamentary capacity would have the power of disposition by will at the time of death. I am not disposing of property that passes upon my death outside this Will, such as proceeds of insurance, annuities, and employee benefit plans unless payable to my estate. I am not exercising any power of appointment by any provision of this Will. If my spouse survives me, I am not disposing of my spouse's separate property, if any, or my spouse's one-half interest in our community property.

  
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### SECTION III

#### PAYMENT OF LEGAL OBLIGATIONS AND TAXES

A. Payment of Legal Obligations. Except as otherwise provided by this Will, the Executor shall pay from my residuary estate (or extend and renew as the Executor determines to be in the best interest of my estate) my funeral expenses, expenses of administration of my estate, and my legally enforceable debts and obligations. The expense of packing, insuring, shipping and delivering property to a beneficiary shall be paid by the Executor as an administration expense of my estate.

B. Payment of Taxes.

1. Estate and Inheritance Taxes. Except as otherwise provided in Subsection B2 below, all federal and state estate and inheritance taxes on or with respect to any property passing under this Will shall be charged against my residuary estate and may be paid in the order and out of those assets of my residuary estate that the Executor deems best, without apportionment. All federal and state estate and inheritance taxes not specifically covered by the preceding sentence or Subsection B2 below shall be apportioned, paid or allocated as otherwise provided by applicable law; provided, however, that all credits and deductions (other than credits or deductions specifically attributable to property not passing under this Will or which arise solely because of the relationship of the recipient of such property to me) shall be allocated to and inure to the benefit of my residuary estate.

2. Special Transfer Taxes. All transfer taxes arising as a result of my death and in connection with (a) any recapture of estate taxes under Section 2032A of the Code or (b) any generation-skipping tax imposed by Chapter 13 of the Code, or corresponding provisions of state law, shall not be paid by my residuary estate but shall be paid as provided under the applicable provisions of the Code or state law. All transfer taxes imposed on property includable in my gross estate by reason of Section 2044 of the Code or corresponding provisions of state law shall not be paid by the Executor or, if required to be paid, shall be recovered by the Executor from the person or entity in possession of or receiving that property as provided in Section 2207A of the Code or corresponding provisions of state law; provided, the Executor shall not seek contribution for any taxes imposed by reason of my death as a result of the inclusion in my gross estate of the trust estate of a trust (i) having an inclusion ratio for federal generation-skipping transfer tax purposes equal to zero and (ii) the property of which was qualified terminable interest property for federal estate tax or gift tax marital deduction purposes but is treated for federal generation-skipping transfer tax purposes as if the election to be treated as qualified terminable interest property had not been made.

  
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3. Interest and Penalties. Interest and penalties concerning any tax shall be paid and charged in the same manner as the tax.

#### SECTION IV

##### SPECIFIC GIFTS

A. Memorandum Regarding Personal Effects. If I leave a written memorandum, written entirely in my handwriting, signed by me and bearing a date later than the date of this Will, which disposes of certain items of my Personal Effects, such memorandum shall govern the disposition of the items of Personal Effects described in it. If for any reason such memorandum is not filed for probate with this Will, then the provisions of this Section of this Will shall govern the disposition of all of my Personal Effects.

B. Personal Effects. Except as may be provided in a memorandum referred to in Subsection A of this Section, I give all of my Personal Effects to my spouse. If my spouse does not survive me, I give all of such Personal Effects to my descendants who survive me, per stirpes.

C. Spouse's Employee Benefits. I give to my spouse my community interest, if any, in any funds or proceeds (1) from qualified deferred compensation plans pursuant to Section 401 of the Code attributable to contributions by any employer of my spouse, or (2) from Individual Retirement Accounts established in my spouse's name pursuant to Section 408 of the Code. If my spouse does not survive me, this gift shall pass as a part of my residuary estate.

D. Petrofac Stock. I give to my spouse all of my interest in the stock in Petrofac, Inc. If my spouse does not survive me, I give one-half (½) of my stock in Petrofac, Inc. to The Louis and Peaches Owen Family Foundation, and the balance of my stock in Petrofac, Inc. shall be distributed as a part of my residuary estate.

E. Residence. I give to my spouse all of my interest in the real property we are using as our principal residence at the time of my death together with all improvements thereon, any appurtenances thereto and all policies of insurance relating thereto. If my spouse does not survive me, this gift shall pass as a part of my residuary estate.

  
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## SECTION V

### GIFT OF RESIDUARY ESTATE IF DEATH IN 2010 AND NO ESTATE TAX

If I die in 2010 and the repeal of the federal estate tax and generation-skipping transfer tax as provided under the Economic Growth and Tax Relief Reconciliation Act of 2001 is operative as of the date of my death and is not constitutionally reinstated to a date preceding my death, then, I give all of the rest, residue and remainder of my estate (herein referred to as "my residuary estate") as follows:

A. If Spouse Survives. If my spouse survives me, I give my residuary estate to the Trustee of the Family Trust.

B. If Spouse Does Not Survive. If my spouse does not survive me, I give my residuary estate in equal shares to (1) the Trustee of The John Owen 2010 Trust, (2) the Trustee of The Celeste Rekieta 2010 Trust and (3) the Trustee of The Paul Owen 2010 Trust. Each of said trusts was created on the same date as this Will by me and my spouse, as Settlers, and the child of mine whose name designates the trust, as Trustee.

## SECTION VI

### GIFT OF TAX EXEMPT AMOUNT

If Section V of my Will is not operative, then, if my spouse survives me, I give the tax exempt amount to the Trustee of the Family Trust. If my spouse does not survive me, this gift shall lapse. The "tax exempt amount" means that monetary amount, if any, which if it were my taxable estate, would result in the imposition of a federal estate tax equal to the unified credit against estate tax allowable to my estate, reduced by (i) the value of all items in my gross estate for federal estate tax purposes which pass otherwise than under the gift of the tax exempt amount (including property passing outside my will) and which do not qualify for the federal estate tax marital or charitable deduction, and (ii) the amount of any taxes payable by reason of my death (other than federal estate taxes), together with any interest and penalties on such taxes. In making the above computation, any adjusted taxable gifts I have made shall be taken into account, no credits against the federal estate tax other than the unified credit shall be taken into account, and values as finally determined for federal estate tax purposes shall control. Further, any disclaimer by or on behalf of my spouse shall be deemed not to have been made, and any available election to have any property passing to or for the benefit of my spouse treated as qualified terminable interest property for federal estate tax marital deduction purposes shall be deemed to have been made in full regardless of the election actually made.

  
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My Executor may satisfy this gift in cash or in kind, or partly in cash and partly in kind. Property distributed in kind shall be valued at its fair market value at the date or dates of distribution. In valuing the property out of which this gift may be satisfied, the amount of any encumbrance or obligation against any particular property or properties shall be taken into account. This gift shall carry with it as income and not as principal its proportionate part of the net income of my estate from the date of my death until the date or dates of distribution, and this gift shall not bear interest until paid.

## SECTION VII

### GIFT OF GENERATION-SKIPPING AMOUNT

If Section V of my Will is not operative, then, I give the generation-skipping amount as follows:

A. If my spouse survives me, to the Trustee of the Special Marital Trust; or

B. If my spouse does not survive me, in equal shares to (1) the Trustee of The John Owen Trust, (2) the Trustee of The Celeste Rekieta Trust and (3) the Trustee of The Paul Owen Trust. Each of said trusts was created on November 3, 2005, by me and my spouse, as Settlers, and the child of mine whose name designates the trust, as Trustee.

If my spouse survives me, the "generation-skipping amount" means a monetary amount (as finally determined for federal generation-skipping transfer tax purposes) equal to (i) the unused portion of the generation-skipping transfer tax exemption provided for in Section 2631(a) of the Code reduced by (ii) the tax exempt amount determined above. If my spouse does not survive me, it means a monetary amount equal to the unused portion of such exemption. The "unused portion" of such exemption shall be any portion that was neither allocated by me (or my executor) to gifts made during my lifetime nor subjected to a deemed allocation pursuant to Section 2632(b) of the Code.

My Executor may satisfy this gift in cash or in kind, or partly in cash and partly in kind. Property distributed in kind shall be valued at its fair market value at the date or dates of distribution. If this gift has not been fully satisfied within 15 months of my death, my Executor shall pay the beneficiary interest computed as provided in the following sentence. Any portion of the gift not satisfied within 15 months of my death shall bear interest (compounded annually) at the lowest appropriate interest rate authorized by the federal generation skipping transfer tax regulations, from the latest date permitted by such regulations until the date such portion is distributed to the beneficiary.

  
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If my spouse survives me, my Executor shall allocate any unused portion of the generation-skipping transfer tax exemption provided for in Section 2631(a) of the Code to the gift of the tax exempt amount and shall allocate any remainder thereof to the gift of the generation-skipping amount. If my spouse does not survive me, my Executor shall allocate any unused portion of such exemption to the gift of the generation-skipping amount.

## SECTION VIII

### SPECIAL MARITAL TRUST

The property given under this Will to the Special Marital Trust shall be held by my Trustee, IN TRUST, as a separate and distinct trust, known as the "Special Marital Trust," for the following uses and subject to the following provisions, conditions and limitations:

A. Income Distributions. The Trustee shall pay at convenient intervals, at least as often as quarter-annually, as the same shall accrue, all of the net income of the trust to my spouse, so long as my spouse lives, beginning as of the date of my death.

B. Principal Distributions. If at any time during the existence of this trust, the net income which shall be distributed to my spouse under the terms hereof shall not be adequate in the opinion of the Trustee for my spouse's health, maintenance and support in accordance with my spouse's accustomed standard of living, considering all other sources of income available to my spouse, then the Trustee may make supplemental distributions of principal out of this trust directly to my spouse to the extent and in the manner that the Trustee deems necessary and appropriate to provide therefor. Distribution of the entire principal of the trust is authorized if the Trustee shall determine such distribution to be in the best interest of my spouse in accordance with the foregoing standard.

C. Death of Spouse. If not earlier terminated by distribution of all of the assets of the Special Marital Trust under the foregoing provisions, the Special Marital Trust shall terminate upon the death of my spouse at which time any accrued or undistributed net income of the trust estate shall be distributed to the personal representative of my spouse's estate and the remaining assets shall be distributed as follows:

1. Unless my spouse specifically directs otherwise by will, the Trustee shall not withhold property from the Special Marital Trust to cover any liability for estate or inheritance taxes attributable to the inclusion of the trust property in my spouse's estate but instead any such tax liability shall be paid from my spouse's estate. Upon the Trustee

  
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being satisfied that the Trustee has no liability with respect to such taxes, the balance of the assets of the Special Marital Trust shall be distributed as hereinafter provided in this Subsection C.

2. The remaining trust estate shall be distributed in equal shares to (1) the Trustee of The John Owen Trust, (2) the Trustee of The Celeste Rekieta Trust and (3) the Trustee of The Paul Owen Trust. Each of said trusts was created on November 3, 2005, by me and my spouse, as Settlers, and the child of mine whose name designates the trust, as Trustee.

D. Qualified Terminable Interest Election. My Executor shall in its sole and absolute discretion determine whether to elect pursuant to Section 2056(b)(7) of the Code to treat all (or a specific portion thereof) of the Special Marital Trust gift as qualified terminable interest property, as that term is defined in Section 2056(b)(7)(B) of the Code. I expect that my Executor will elect to minimize the federal estate tax payable by my estate; however, I further expect my Executor to give consideration to the federal estate tax that may be payable in my spouse's estate upon my spouse's death. The decision of my Executor with regard to the election shall be binding and conclusive on all concerned. My Executor shall not be liable to my estate or any beneficiary hereunder for the tax, economic, or other effects of making or not making such election pursuant to this discretion. If my Executor does not make the election pursuant to Section 2056(b)(7) of the Code with respect to all of the property which is distributable to the Trustee under this Special Marital Trust gift, then the trust estate shall be divided into separate parts pursuant to the terms of the election. If the property with respect to which the election is not made may be allocated to a separate trust without adversely affecting the election, then such non-elective part shall be held as a separate trust designated the "Nonqualified Special Marital Trust." The elective part (or the whole of the property if the allocation to separate trusts adversely affects the election) shall be held as a trust designated the "Special Marital Trust." If my Executor elects to qualify only a part of the trust, then any invasion of principal for my spouse shall be charged first against the elective share.

E. Limitation on Discretion of Trustee. In determining the income payable to my spouse under the terms of paragraph A hereof, in determining the manner in which expenses are to be borne and the manner in which receipts are to be credited as between principal and income, and in determining what shall constitute income or principal, the Trustee shall make such determinations, distributions, and allocations in a manner that complies with the provisions of Section 2056 of the Code. Notwithstanding any provision of this Will to the contrary, my spouse may require that income payable under the terms of paragraph A hereof be distributed directly to my spouse.

  
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F. Limitations on Investments. Any property transferred to this trust shall be deemed a proper trust investment and the Trustee shall be under no obligation to dispose of or convert any such property; provided that, if any property transferred to this trust is unproductive or if any property of this trust at any time during the life of this trust becomes unproductive, the Trustee shall within a reasonable time dispose of such unproductive property if my spouse shall direct such disposition by written instrument delivered to the Trustee. This paragraph shall limit any general investment power hereinafter granted.

G. General Powers and Duties of Trustee. Except as specifically provided otherwise, the Trustee of the trust created pursuant to this Section shall have and exercise, where appropriate and applicable to the said trust, all of the rights, powers and privileges, and shall be subject to all of the duties, provisions, conditions and limitations hereinafter specified in this Will; provided that, notwithstanding anything elsewhere herein contained, the Trustee shall have no power, right, duty or obligation which will result in the failure of the property passing pursuant to this Section to qualify for the marital deduction allowable under the Code.

H. Disclaimer. If my spouse makes a qualified disclaimer, as allowed under Section 2518 of the Code, with respect to all or any portion of the Special Marital Trust gift provided for in this Section, the Special Marital Trust gift shall lapse and fail to the extent of such disclaimer, and the property subject thereto shall be added to the Family Trust, and for purposes of the disposition from such trust of the property subject to such disclaimer, my spouse shall not be deemed to have predeceased me by reason of my spouse's disclaimer.

## SECTION IX

### FAMILY TRUST

The property given under this Will to the Family Trust shall be held by my Trustee, IN TRUST, as a separate and distinct trust, known as the "Family Trust," for the following uses and subject to the following provisions, conditions and limitations:

A. Income Distributions. The Trustee shall pay so much or all of the annual net income of the trust estate to or for the benefit of my spouse and any one or more of my descendants in such amounts and proportions as the Trustee in its sole and absolute discretion shall deem necessary and appropriate (without regard to equality of distribution) for the health, education, support and maintenance of such beneficiaries according to their accustomed standards of living, considering all other sources of income available to such beneficiaries. My spouse shall be regarded as the primary beneficiary of these distributions during my spouse's lifetime.

  
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B. Principal Distributions. If the net income of the trust, together with all resources independent of this trust, shall not be adequate for the health, education, support and maintenance of any income beneficiary named above, according to his or her accustomed standard of living, the Trustee may supplement the same out of the principal of this trust to such an extent and only to such an extent as may be necessary and appropriate to provide for the health, education, support and maintenance of any one or more of such beneficiaries, according to his or her accustomed standard of living. My spouse shall be regarded as the primary beneficiary of these distributions during my spouse's lifetime.

C. Distribution of Trust on Spouse's Death If Section V Operative. If I die in 2010 and Section V of this Will is operative, then, upon the death of my spouse, the Trustee shall distribute the remaining trust estate in equal shares to (1) the Trustee of The John Owen 2010 Trust, (2) the Trustee of The Celeste Rekieta 2010 Trust and (3) the Trustee of The Paul Owen 2010 Trust. Each of said trusts was created on the same date as this Will, by me and my spouse, as Settlers, and the child of mine whose name designates the trust, as Trustee.

D. Distribution of Trust on Spouse's Death If Section V Not Operative. If Section V of this Will is not operative, then, upon the death of my spouse, the Trustee shall distribute the remaining trust estate in equal shares to (1) the Trustee of The John Owen Trust, (2) the Trustee of The Celeste Rekieta Trust and (3) the Trustee of The Paul Owen Trust. Each of said trusts was created on November 3, 2005, by me and my spouse, as Settlers, and the child of mine whose name designates the trust, as Trustee.

## SECTION X

### GIFT OF RESIDUARY ESTATE IF SPOUSE SURVIVES AND SECTION V NOT OPERATIVE

If Section V of my Will is not operative, then, if my spouse survives me, I give all of the rest, residue and remainder of my estate (herein referred to as "my residuary estate") to my Trustee, IN TRUST, as a separate and distinct trust, known as the "Marital Trust," for the following uses and subject to the following provisions, conditions and limitations:

A. Income Distributions. The Trustee shall pay at convenient intervals, at least as often as quarter-annually, as the same shall accrue, all of the net income of the trust to my spouse, so long as my spouse lives, beginning as of the date of my death.

  
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B. Principal Distributions. If the net income which shall be distributed to my spouse under the terms hereof shall not be adequate in the opinion of the Trustee for my spouse's health, maintenance and support in accordance with my spouse's accustomed standard of living, considering all other sources of income available to my spouse, then the Trustee may make supplemental distributions of principal out of this trust directly to my spouse to the extent and in the manner that the Trustee deems necessary and appropriate to provide therefor.

C. Death of Spouse. If not earlier terminated by distribution of all of the assets of the Marital Trust under the foregoing provisions, the Marital Trust shall terminate upon the death of my spouse at which time any accrued or undistributed net income of the trust estate shall be distributed to the personal representative of my spouse's estate and the remaining assets shall be distributed as follows:

1. Unless my spouse directs otherwise by will, the Trustee shall withhold from distribution an amount of property judged to be sufficient to cover any liability for estate or inheritance taxes attributable to the inclusion of the trust property in my spouse's estate and shall pay any such liability. The determination of the amount of such tax liability shall be made in accordance with Section 2207A of the Code. Any payment made pursuant to this paragraph may be made directly or to the legal representative of my spouse's estate, as the Trustee deems advisable. The Trustee's selection of assets to be sold to make payments pursuant to this paragraph and the tax effect of such decision shall not be subject to question by any beneficiary. Upon the Trustee being satisfied that the Trustee no longer has any liability with respect to such taxes, the balance of such withheld property shall be distributed in accordance with the following paragraph. Neither the trust estate nor any trust beneficiary shall be entitled to reimbursement from my spouse's estate or my spouse's heirs or devisees on account of any payment made pursuant to this paragraph.

2. The remaining trust estate shall be distributed in equal shares to (1) the Trustee of The John Owen Non Exempt Trust, (2) the Trustee of The Celeste Rekieta Non Exempt Trust and (3) the Trustee of The Paul Owen Non Exempt Trust. Each of said trusts was created on April 25, 2006, by me and my spouse, as Settlers, and the child of mine whose name designates the trust, as Trustee.

D. Qualified Terminable Interest Election. My Executor shall in its sole and absolute discretion determine whether to elect pursuant to Section 2056(b)(7) of the Code to treat all (or a specific portion thereof) of the Marital Trust gift as qualified terminable interest property, as that term is defined in Section 2056(b)(7)(B) of the Code. I expect that my Executor will elect to minimize the federal estate tax payable by my estate; however, I further expect my Executor to give consideration to the federal estate tax that may be

  
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payable in my spouse's estate upon my spouse's death. The decision of my Executor with regard to the election shall be binding and conclusive on all concerned. My Executor shall not be liable to my estate or any beneficiary hereunder for the tax, economic, or other effects of making or not making such election pursuant to this discretion.

If my Executor does not make the election pursuant to Section 2056(b)(7) of the Code with respect to all of the property which is distributable to the Trustee under this Marital Trust gift, then the trust estate shall be divided into separate parts pursuant to the terms of the election. If the property with respect to which the election is not made may be allocated to a separate trust without adversely affecting the election, then such nonelective part shall be held as a separate trust designated the "Nonqualified Marital Trust." The elective part (or the whole of the property if the allocation to separate trusts adversely affects the election) shall be held as a trust designated the "Marital Trust." If my Executor elects to qualify only a part of the trust, then any invasion of principal for my spouse shall be charged first against the elective share.

E. Limitation on Discretion of Trustee. In determining the income payable to my spouse under the terms of paragraph A hereof, in determining the manner in which expenses are to be borne and the manner in which receipts are to be credited as between principal and income, and in determining what shall constitute income or principal, the Trustee shall make such determinations, distributions, and allocations in the manner that complies with the provisions of Section 2056 of the Code. Notwithstanding any provision of this Will to the contrary, my spouse may require that income payable under the terms of paragraph A hereof be distributed directly to my spouse.

F. Limitations on Investments. Any property transferred to this trust shall be deemed a proper trust investment and the Trustee shall be under no obligation to dispose of or convert any such property; provided that, if any property transferred to this trust is unproductive or if any property of this trust at any time during the life of this trust becomes unproductive, the Trustee shall within a reasonable time dispose of such unproductive property if my spouse shall direct such disposition by written instrument delivered to the Trustee. This paragraph shall limit any general investment power hereinafter granted.

G. General Powers and Duties of Trustee. Except as specifically provided otherwise, the Trustee of the trust created pursuant to this Section shall have and exercise, where appropriate and applicable to the said trust, all of the rights, powers and privileges, and shall be subject to all of the duties, provisions, conditions and limitations hereinafter specified in this Will; provided that, notwithstanding anything elsewhere herein contained, the Trustee shall have no power, right, duty or obligation which will result in the failure of the property passing pursuant to this Section to qualify for the marital deduction allowable under the Code.

  
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H. Disclaimer. If my spouse makes a qualified disclaimer, as allowed under Section 2518 of the Code, with respect to all or any portion of the Marital Trust gift provided for in this Section, the Marital Trust gift shall lapse and fail to the extent of such disclaimer, and the property subject thereto shall be distributed in equal shares to (1) the Trustee of The John Owen Non Exempt Trust, (2) the Trustee of The Celeste Rekieta Non Exempt Trust and (3) the Trustee of The Paul Owen Non Exempt Trust. Each of said trusts was created on April 25, 2006, by me and my spouse, as Settlers, and the child of mine whose name designates the trust, as Trustee.

#### SECTION XI

#### GIFT OF RESIDUARY ESTATE IF SPOUSE DOES NOT SURVIVE AND SECTION V IS NOT OPERATIVE

If Section V of my Will is not operative and my spouse does not survive me, then, I give all of the rest, residue and remainder of my estate in equal shares to (1) the Trustee of The John Owen Non Exempt Trust, (2) the Trustee of The Celeste Rekieta Non Exempt Trust and (3) the Trustee of The Paul Owen Non Exempt Trust. Each of said trusts was created on April 25, 2006, by me and my spouse, as Settlers, and the child of mine whose name designates the trust, as Trustee.

#### SECTION XII

#### SPENDTHRIFT TRUSTS

Each trust created under this Will is a spendthrift trust. No beneficiary shall have the power to anticipate, encumber or transfer, in any manner, his interest in the trust estate. No part of any trust estate shall be liable for or charged with any debts, contracts, liabilities or torts of a beneficiary or subject to any execution, garnishment, attachment, seizure or other judicial process by any creditor of a beneficiary.

  
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## SECTION XIII

### EXECUTORSHIP

A. Appointment. I appoint my spouse and MERRILL LYNCH TRUST COMPANY, a division of Bank of America, N.A., (hereinafter "Merrill Lynch Trust"), to serve as Independent Co-Executors of this Will. If my spouse shall die, resign, fail, refuse or become incapable or unable to serve as Co-Executor of this Will for any reason, I appoint CELESTE ANN REKIETA to serve as Independent Co-Executor with Merrill Lynch Trust. If both my spouse and CELESTE ANN REKIETA shall die, resign, fail, refuse or become incapable or unable to serve as Co-Executor of this Will for any reason, then, I appoint JOHN KERMIT OWEN and LOUIS PAUL OWEN to serve as Independent Co-Executors with Merrill Lynch Trust of this Will.

While Co-Executors are serving, Merrill Lynch Trust shall have (1) exclusive custody of all investments and records of my estate and (2) primary responsibility for preparing and distributing tax returns and accountings. While three Co-Executors are serving, the joinder of Merrill Lynch Trust and one individual Co-Executor shall be required to bind my estate on any matter, provided, the Co-Executors shall be authorized to delegate among themselves and to one or more agents any discretionary or ministerial power provided the delegation is in writing, states the scope and duration of powers being delegated and to whom delegated, and is signed by all Co-Executors.

B. Independent Administration. I direct that no action be had in the Probate Court respecting my estate other than the probate of this Will and the making and recording of an inventory and appraisement of my estate and list of claims. I direct that the executorship of my estate be terminated as soon as practical after my death.

C. No Bond. No Independent Executor shall be required to furnish bond or other security.

D. Compensation. The Executor shall be authorized to receive reasonable compensation, notwithstanding any statutory formula for executor compensation. To determine reasonable compensation, the Executor may take into account both probate and non-probate assets includable in my estate for federal estate tax purposes (whether or not a federal estate tax return must be filed) and the duties of the Executor required to administer my estate. Additionally, the Executor shall be entitled to reimbursement for expenses incurred in connection with its duties and responsibilities.

  
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E. Powers of Executor. I give my Executor full power and authority to partition, exchange, and sell real and personal property upon such terms and conditions as my Executor deems appropriate; to renew and extend debts; to borrow money; to pledge or mortgage real or personal property; to vote stock, in person or by proxy; to exercise stock rights; to exercise stock options; to enter into any transaction authorized by this Will with the legal representative of any other estate or with the trustee of any trust estate, even though such legal representative or trustee is also my Executor, including but not limited to the power and authority to sell assets of my estate at their fair market value to the Trustee or Trustees of any trust hereunder and to borrow funds from any trust hereunder; to continue the operation of any proprietorship, corporation, partnership, or any other business enterprise in which I may have an interest at the time of my death; to sell or liquidate my interest in any such business enterprise at such time and upon such terms and conditions as my Executor deems appropriate; and to carry out and enforce the provisions of any agreement providing for the disposition of all or any part of my interest in any such business enterprise. My Executor shall have all powers and authority to engage in any transaction in which the Trustees hereunder are authorized to engage.

F. Powers Regarding Personal Effects. If any Personal Effects are distributable to a minor beneficiary, the Executor is authorized to delay the actual distribution of that beneficiary's share of the Personal Effects or to deliver the Personal Effects or a portion thereof to the beneficiary or for his use to the person having custody or control of the beneficiary or to a custodian for the beneficiary under a Uniform Gifts to Minors Act or Uniform Transfers to Minors Act of any state. The distributee's receipt shall be a full acquittance to the Executor. When Personal Effects are given to more than one beneficiary to share equally (or in stated proportions), it is my hope that they will divide the Personal Effects between themselves as they mutually agree. If they do not agree to the division of all of the Personal Effects within six months after my death, the Executor shall make a binding and conclusive division between them of such articles as they have not agreed to divide. The Executor shall take into account the values of such articles so that, to the extent practical, each of them will in total receive a share of the Personal Effects representative of his or her proportionate share of the total value of all the Personal Effects. The Executor shall be guided, but not bound, by any preferences which a beneficiary may express with respect to particular assets. Any of the remaining articles which the Executor determines is either not desired by the beneficiaries or not suitable for distribution to any of them shall be sold, the proceeds to be added to my residuary estate.

G. Power to Partition Community Property. My Executor shall have the power to partition my interest in the community estate of my spouse and myself from the interest therein of my spouse, and, in making such partitions, my Executor may, with the consent of my spouse or the personal representative of my spouse's estate, allocate different kinds of property or undivided interests in property between my estate and my spouse (or if my spouse is deceased, my spouse's estate).

  
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H. Tax Elections. My Executor shall have full power and authority to make any and all available estate, inheritance, generation skipping transfer, income and other tax election or allocations available to my Executor, including specifically (i) the date and option, alternative or method which should be selected for the valuation of property in my gross estate for federal and state tax purposes and for the payment of such taxes, (ii) whether a deduction shall be taken as an income tax deduction or as an estate tax deduction, (iii) the election to extend the time for the payment of federal and state taxes and the election to pay any such tax in installments, (iv) the allocation of any of my available GST exemption from the federal generation skipping transfer tax to any property as to which I am deemed to be the transferor under the provisions of Section 2652(a) of the Code, including any property transferred by me during my lifetime as to which I did not make an allocation prior to my death and (v) the election under Section 2652(a)(3) of the Code to treat me as the transferor of any qualified terminable interest property with respect to which my estate was allowed a deduction by reason of Section 2056(b)(7) of the Code. If my Executor intends to exercise the election enumerated in (v) above as to any part of such qualified terminable interest property, my Executor and/or the Trustee of any trust comprised of such qualified terminable interest property shall first set apart property constituting such part in a separate trust (as defined in Section 2652(b)(i) of the Code) before the Section 2652(a)(3) election is made, so that after the election and after the allocation of the GST exemption, its inclusion ratio as defined in Section 2642(a) of the Code will be zero. Property may be subject to the above elections and allocations whether or not such property is included in my probate estate. My Executor's decisions with respect to such matters shall be binding and conclusive upon all concerned, and my Executor shall incur no liability to my estate or any beneficiary of my probate and/or nonprobate estate on account of the making or not making of such election or allocation, regardless of the fact that the federal or state tax imposed on my estate is thereby increased or that there is a change in the proportion in which any beneficiary shares in my estate. No compensating adjustments between income or principal or in the amount of any gift hereunder shall be made as a result of any such decision. My Executor is further authorized to join with my spouse in the filing of any tax returns for any year or years for which I have filed such return or returns prior to my death and to pay all or such ratable share of any taxes (together with any interest and penalties thereon) as my Executor deems proper. I further authorize and empower my Executor to consent that any gift made by my spouse prior to my death be treated as made one-half (1/2) by me for the purposes of any gift tax laws and returns.

I. Right to Disclaim. The Executor shall be authorized to disclaim, in whole or in part, any gift or interest (whether present or future) provided for me or my benefit under the Will of any person, under any trust instrument, or in any other manner. In addition, any person shall have the right to disclaim, in whole or in part, any gift or interest (whether

  
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present or future) granted to that person by this Will. A disclaimer of a gift or interest herein shall be made in a manner and within the time prescribed for a qualified disclaimer under Section 2518 of the Code.

J. Divisions and Distributions. Except as otherwise provided herein, my Executor shall have absolute discretion to select property to be allocated to any separate trust created in my Will or to be distributed in satisfaction of any devise or bequest provided for herein without respect to the income tax basis of such property, and my Executor is specifically excused from any duty of impartiality with respect to the income tax basis of such property; provided, my Executor shall not exercise its discretion in a manner that Will result in a loss of, or decrease in, the marital deduction, if any, otherwise allowable in determining my federal estate tax. Nevertheless, I request, but do not require, that my Executor select property for such allocations which are fairly representative of the income tax basis of all assets of my estate; however, my Executor may take into account the income tax status of my beneficiaries in the selection of assets to be allocated.

K. Distributions to Minors. The Executor may distribute all or a part of any property distributable to a minor beneficiary directly to the minor beneficiary or to a custodian for the minor beneficiary selected by the Executor under a Uniform Gifts to Minors Act or Uniform Transfers to Minors Act of any state. The distributee's receipt shall be a full acquittance to the Executor.

L. Interim Dispositive Powers. Should any portion of my estate pass into a trust under the provisions of my Will, then while my estate is in probate and before said sums of money or their equivalent provided for in such trust have been delivered to the Trustee, my Executor is hereby given the discretionary power to make interim payments of a part or all of the payments from income or corpus that might have been made by the Trustee if said Trustee had received the same on the date of my death, but no beneficiary hereunder shall have the right to demand from my Executor any payments during the time my said estate is in probate, and all such decisions of my said Executor shall be final and said Executor shall not in any event be liable because of any payment made. My Executor shall make no distribution under this provision that has the effect of satisfying, in whole or in part, any legal obligation of the Executor.

M. Successor Executor. Any successor Independent Executor named herein shall be responsible only for the assets delivered by the preceding Executor or his legal representative, and may accept as correct the statement of such predecessor Executor or his legal representative, that these constitute all of the assets of my estate, without any duty to inquire into the administration or accounting by the preceding Executor. No successor Executor shall be held responsible or liable for any act or omission of such predecessor Executor.

  
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N. Ancillary Executor. If any assets included in my estate are or become located in any jurisdiction in which any Executor hereunder is unable or unwilling to act, my Executor may appoint an ancillary executor to act with respect to such assets in such jurisdiction and may confer upon the ancillary executor such powers, discretions, and duties to act solely with respect to such assets as my Executor deems necessary; such powers, discretions, and duties shall be exercised without necessity for court order, insofar as possible. The ancillary executor shall be accountable to my Executor for all funds, assets, and other properties which it may receive in conjunction with the administration of such assets. My Executor may pay the ancillary executor reasonable fees for its services and may absolve it from any requirement that it furnish bond or other security.

#### SECTION XIV

#### TRUSTEESHIP

A. Appointment. I appoint my spouse and MERRILL LYNCH TRUST COMPANY, a division of Bank of America, N.A., (hereinafter "Merrill Lynch Trust"), to serve as Co-Trustees of each trust created under this Will. If my spouse shall die, resign, fail, refuse or become incapable or unable to serve as Co-Trustee of any trust created under this Will for any reason, I appoint CELESTE ANN REKIETA to serve as Co-Trustee of such trust with Merrill Lynch Trust. If both my spouse and CELESTE ANN REKIETA shall die, resign, fail, refuse or become incapable or unable to serve as Co-Trustee of any trust created under this Will for any reason, I appoint JOHN KERMIT OWEN and LOUIS PAUL OWEN to serve as Co-Trustees of such trust with Merrill Lynch Trust.

While Co-Trustees are serving, the corporate Trustee shall have (1) exclusive custody of all investments and records of a trust estate and (2) primary responsibility for preparing and distributing tax returns and accountings. While Co-Trustees are serving, the joinder of the corporate Trustee and one individual Co-Trustee shall be required to bind the trust estate on any matter, provided, the Co-Trustees shall be authorized to delegate among themselves and to one or more agents any discretionary or ministerial power provided the delegation is in writing, states the scope and duration of powers being delegated and to whom delegated, and is signed by all Co-Trustees.

B. Spouse's Removal and Replacement Power. Notwithstanding the appointments in Subsection A above, if my spouse survives me, my spouse shall have a Removal and Replacement Power with respect to each trust created under this Will. The term "Removal and Replacement Power" means that the person holding such power may remove or replace a trustee of a trust with respect to which the power has been granted,

  
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may appoint one or more successor trustees to that trust, and may appoint one or more special trustees or co-trustees to act for any general or limited purpose permitted under that trust. A Removal and Replacement Power may be exercised, with or without cause, and without the necessity of any court proceeding, and may be exercised either immediately or upon any future contingency. The Removal and Replacement Power shall be exercised by written instrument executed by the holder of the power, duly acknowledged, and filed in the Official Public Records of the Texas county in which my Will is probated. A successor Trustee shall promptly deliver a copy of such instrument to any Trustee thereby removed, which delivery shall immediately deprive such Trustee thereby removed of all powers as Trustee of such trust.

C. Resignation of Trustee. Any Trustee is authorized to resign by filing a written instrument duly executed and acknowledged of record in the Official Public Records of the Texas county in which my Will is probated, which filing shall immediately deprive the resigning Trustee of all powers as Trustee hereunder; provided, nevertheless, that at least 30 days prior to filing, the resigning Trustee shall give written notice thereof to each beneficiary (including a beneficiary's natural or legal guardian in the case of a beneficiary under a legal disability) who might then be entitled to receive a distribution from the trust estate. No purchaser from or other person dealing with any Trustee is obligated to examine such Official Public Records, and any such person shall be protected in all transactions with any Trustee whether or not any such resignation has taken place.

D. Appointment of Successor Trustee. If a Trustee appointed or serving pursuant to this Will fails or ceases for any reason to serve as Trustee of any trust created hereunder and no Trustee has been named in this Will to serve as successor Trustee of such trust or if all Trustees named as successor have failed or ceased to serve, then the current primary beneficiary of the trust (including a beneficiary's natural or legal guardian in the case of a beneficiary under a legal disability) who is then entitled to receive an income distribution from the trust estate shall have the power to appoint a qualified successor corporate Trustee as successor Trustee of the trust. The term "qualified successor corporate Trustee" shall mean either (i) a corporate trustee organized under the laws of the United States or any state, having banking and trust powers, with assets under management valued at not less than Five Billion Dollars or (ii) a private trust company or bank, having trust powers, only with assets under management valued at not less than Five Billion Dollars. Such appointment shall be by written instrument duly executed and acknowledged by the appointing party and by the successor Trustee and filed in the Official Public Records of the Texas county in which my Will is probated. If a successor Trustee is not appointed as hereinabove provided, then a court of competent jurisdiction shall appoint a qualified successor corporate Trustee as successor Trustee, and the costs associated with such a court proceeding shall be paid from the trust or trusts for which the successor Trustee is appointed.

  
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E. Reorganization of Trustee. If a corporate Trustee, before or after qualification, should change its name, become consolidated or merged with another corporation, or otherwise should reorganize, any resulting corporation which succeeds to the fiduciary business of such corporate Trustee shall become a Trustee hereunder in lieu of such corporate Trustee.

F. Removal of Corporate Trustee. At any time a corporate Trustee is serving as Trustee of a trust created hereunder, the current primary beneficiary of such trust (including a beneficiary's natural or legal guardian in the case of a beneficiary under a legal disability) shall have the right without regard to cause to remove the corporate Trustee and replace it with a qualified successor corporate Trustee, as such term is defined in Subsection D, above by giving thirty (30) days' written notice of such removal. No action by any court shall be required for such removal. A power of removal shall be exercised by written instrument executed and acknowledged by the person exercising the removal power and by the appointed successor corporate Trustee, shall specify the effective date and time of removal, and shall be filed in the Official Public Records of the Texas county in which my Will. A copy of such written instrument shall be promptly delivered by the appointed successor corporate Trustee to the corporate Trustee thereby removed. The succeeded corporate Trustee shall be entitled to receive all accrued but unpaid fees, and, absent removal for cause established by a court of competent jurisdiction, to reimbursement of the costs and expenses reasonably incurred by it in connection with the succession process.

G. Successor's Accounting. Any successor Trustee hereunder shall possess and exercise all powers and authority herein conferred on the original Trustee, unless such successor be appointed by a court and the court otherwise decrees in the order of appointment. The original Trustees are authorized and directed to accept from my Executor at the termination of the administration of my estate, and any successor Trustee is authorized and directed to accept from a prior Trustee upon succeeding a prior Trustee, the assets delivered to the Trustee, or successor Trustee, or if the Executor or prior Trustee is deceased, by his personal representative, without requiring an audit or other independent accounting of the acts of such Executor or prior Trustee and the said original Trustee or successor Trustee shall not have, or ever have, any duty, responsibility, obligation or liability whatsoever for the acts or omissions of said Executor or prior Trustee.

H. Fees. For its services as Trustee, a Trustee shall be entitled to reasonable fees commensurate with its duties and responsibilities, taking into account the value and nature of the trust estates and the time and work involved, and to be reimbursed for out-of-pocket expenses in connection therewith.

  
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I. No Court Supervision. Unless in conflict with applicable local law, any trust created hereunder shall be administered free from the active supervision of any court.

J. No Bond. No Trustee need post any bond.

## SECTION XV

### TRUST POWERS

A. Applicability of Texas Trust Code. The Trustee shall have the powers, duties and liabilities set forth in the Texas Trust Code, as now enacted and as hereafter amended, except to the extent the same may be inconsistent with the provisions of this Will, in which case the provisions of this Will shall govern.

B. General Investment Powers. The Trustee's investment authority is intended to be broad and shall include the following directives and authorities:

1. Prudent Investor Rule. Except as otherwise provided in this Will, the prudent investor rule governs all aspects of the Trustee's investments of the property comprising the trust estate of each trust created under this Will. Accordingly, the Trustee shall invest and manage the property comprising each trust estate as a prudent investor would, by considering the purposes, terms, distribution requirements, and other relevant circumstances of the trust estate and the trust.

2. Portfolio Theory. The Trustee shall make investment and management decisions respecting individual assets not in isolation but in the context of the portfolio of the trust estate as a whole and as a part of the overall investment strategy having risk and return objectives reasonably suited to the trust estate and the trust.

3. Diversification. I recognize that the Trustee generally has a duty to diversify the investments of the trust estate unless the Trustee determines that, because of the special circumstances, the purposes of the trust are better served without diversifying. I intend to modify that generally applicable duty. I expect the Trustee to make investment decisions in light of the purpose, terms, anticipated distribution requirements and other circumstances of the trust relationship and its beneficiaries. The Trustee shall not be required to achieve any particular level of diversification or to eliminate all diversifiable risk. Similarly, the Trustee shall not be required to adopt a passively managed or index-fund approach to investing or to achieve a similar kind of highly diversified investment mix, notwithstanding whether the Trustee's undiversified risk is adequately compensated in a theoretical sense.

  
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4. Originally Contributed Property and Closely-Held Business Interests. I specifically authorize the Trustee to continue to hold and maintain all property originally contributed to or comprising the trust estate (even if highly concentrated), as well as transmigrations of that property, without liability for any depreciation or loss that may result. This authorization shall extend to investments in a closely-held business enterprise or investment entity received by the Trustee from my estate or otherwise acquired by the Trustee.

5. Investment of Cash Assets. A corporate entity serving as Trustee may deposit trust funds with itself as either a permanent or temporary investment and may place trust funds under its administration in common trust funds established and maintained by such corporate Trustee or its affiliate. In determining where to invest cash resources, the Trustee may consider all relevant factors, including facility of access, security of funds invested and the stated rate of return.

6. Life Insurance. The Trustee may acquire, maintain in force and exercise all rights of a policyholder under policies of life insurance.

7. Unproductive or Wasting Assets. The Trustee may receive, acquire and maintain assets that may constitute unproductive, underproductive or wasting assets if the Trustee believes it is reasonable to do so. Upon the sale or disposition of any such asset, the Trustee need not make an allocation of any portion of the principal element of such sale proceeds to the income beneficiaries of the trust.

8. Speculative Investments. The Trustee may receive, acquire and maintain assets that may be categorized as speculative or hazardous if the Trustee believes it is prudent to do so. For example, the Trustee may invest in options, puts and calls with respect to securities and may invest in commodity transactions if the Trustee believes any of such investments are prudent for the trust under administration.

9. Negation of Rule Requiring Impartiality in Investment Strategy. In managing and investing the funds of a trust estate, the Trustee shall not be required to observe any usual rules of trust law requiring impartiality in investment policy as applied to present income and more remote beneficiaries, and the Trustee may exercise management and investment discretions in favor of the income beneficiaries of the trust estate. By way of illustration, the Trustee may give primary consideration to the present or future income tax consequences of each transaction upon income beneficiaries, and the Trustee may invest all or any part of the funds of a trust estate in tax-exempt securities or in other fixed income investments which have limited prospects for capital appreciation without any duty to make any equitable adjustment in favor of any remaindermen.

  
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10. Personal Residence and Furnishings of Personal Residence. To the extent that a personal residence and any furnishings of such residence become part of a trust estate, the Trustee is authorized to continue to retain and use, to distribute in kind or to sell any such assets should the Trustee believe the retention, use, distribution or sale of such assets would be beneficial to the primary beneficiaries of such trust.

11. Mineral Properties. The Trustee shall have the power to acquire, maintain or sell mineral interests and to make oil, gas and mineral leases covering any lands or mineral interests forming a part of a trust estate, including leases for periods extending beyond the duration of a trust. The Trustee may pool or unitize any or all of the lands, mineral leaseholds or mineral interests of a trust with others for the purpose of developing and producing oil, gas or other minerals and may make leases or assignments containing the right to pool or unitize. The Trustee may enter into contracts and agreements relating to the installation or operation of absorption, repressuring and other processing plants, may drill or contract for the drilling of wells for oil, gas or other minerals, may enter into, renew and extend operating agreements and exploration contracts, may engage in secondary and tertiary recovery operations, may make "bottom hole" or "dry hole" contributions and may deal otherwise with respect to mineral properties as an individual owner might deal with his own properties. The Trustee may enter into contracts, conveyances and other agreements or transfers deemed necessary or desirable to carry out these powers, including division orders, oil, gas or other hydrocarbon sales contracts, processing agreements and other contracts relating to the processing, handling, treating, transporting and marketing of oil, gas or other mineral production. The term "mineral" shall mean minerals of whatever kind and wherever located, whether surface or subsurface deposits, including (without limitation) coal, lignite and other hydrocarbons, iron ore and uranium.

C. General Management Powers. The Trustee is granted the authority to exercise the managerial powers of an individual with respect to matters affecting a trust, it being my intention to grant broad managerial discretion to the Trustee that is consistent with the management and administration of a trust, including the following managerial authorities:

1. Power to Enter Into or Continue Business Activities. The Trustee shall have the authority to enter into, engage in, expand and carry on business activities, whether in proprietary, general or limited partnership, joint venture or corporate form, with such persons and entities as the Trustee deems proper. This power pertains to business activities in progress as of the date of my death and to business opportunities arising thereafter. Business activities conducted by the Trustee should be related to the administration and investment of the trust estate, for it is not my intention to convert any trust into an entity that would be taxable as an association for federal income tax purposes.

  
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2. Entity Activities. The Trustee may form, reorganize or dissolve corporations, limited liability companies, partnerships, limited partnerships and any other entity which the Trustee may deem necessary or advisable. The Trustee may exercise all rights of a stockholder, member, or partner in such entities including the right to vote for or against mergers, consolidations and liquidations. An individual serving as Trustee may elect himself as an officer or director of an entity owned in part or in whole by a trust created herein, and a corporate entity serving as Trustee may elect one of its officers to such a position, and in each such instance, the person so elected may be paid reasonable compensation for services rendered to such entity.

3. Real Estate. The Trustee may purchase or sell real property (or enter into options for same) and may exchange, partition, subdivide, develop, manage and improve real property. The Trustee may grant or acquire easements, may impose deed restrictions, may adjust boundaries, may raze existing improvements and may dedicate land or rights in land for public use with or without consideration.

4. Authority to Sell or Lease. The Trustee may sell or lease trust property (or grant options for same) without the consent or ratification of any court, remainderman or third party, including the authority to lease beyond the anticipated term of a trust, upon such terms and for such consideration as the Trustee deems appropriate.

5. Warranties and Covenants. The Trustee may convey properties with such covenants and warranties of title (general or special) as the Trustee deems appropriate.

6. Employment and Delegation of Authority to Agents. The Trustee may employ, compensate and discharge such advisors and agents as the Trustee deems proper, and the Trustee may delegate to an agent such authorities (including discretionary authorities) as the Trustee deems appropriate, including the power to designate an agent as deputy with the right to enter safe deposit boxes of the Trustee.

7. Power to Release or Abandon Property or Rights and to Pursue Claims. The Trustee may release, compromise or abandon claims or rights to property for such consideration (including no consideration) as the Trustee determines to be appropriate. The Trustee is authorized to institute suit on behalf of and to defend suits brought against a trust estate.

8. Nominal Title and Use of Nominees. The Trustee may acquire title to property in the name of one or more nominees and may allow its nominees to take possession of trust assets with or without direct custodial supervision by the Trustee.

  
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9. Power to Lend Money and Guarantee Obligations. The Trustee may lend money to any person, any business entity, an estate or any trust, provided that any such loan (except loans to beneficiaries) shall be adequately secured and shall bear a reasonable rate of interest. The Trustee, in the Trustee's discretion, may endorse, guarantee, become the surety of or otherwise become obligated for or with respect to the debts or other obligations of any person or legal entity, with or without consideration, when the Trustee believes such actions advance the purposes of any trust created hereunder. The Trustee may make loans from any trust to a beneficiary of such trust on an unsecured basis for such rate of interest as the Trustee deems appropriate, when in the Trustee's judgment, such loan would be consistent with the purposes of such trust. Notwithstanding the foregoing, no individual beneficiary while serving as Trustee shall possess or exercise any power as Trustee to authorize or participate in any decision to make a loan to or for the benefit of himself, his spouse or any individual for whom he has a legal obligation of support.

10. Power to Borrow. The Trustee may assume the payment of and renew and extend any indebtedness previously created, and the Trustee may create new indebtedness and raise money by any means, including margin trading in securities, when the Trustee believes such borrowing will be beneficial to the trust estate. The Trustee is authorized to secure the payment of each such indebtedness and all renewals, extensions and refinancings of same by pledge, mortgage, deed of trust or other encumbrance covering and binding all or any part of the trust estate of a trust. The Trustee may loan its own monies to a trust and may charge and recover the then usual and customary rate of interest thereon when, in the discretion of Trustee, it is prudent to do so.

11. Transactions Between the Trustee and Executors of Estates. The Trustee is authorized to accept from my Executor, upon the termination or during the administration of such estate, any assets delivered by the Executor to the Trustee without requiring an audit or other accounting of the acts of the Executor, and the Trustee shall not have liability for the acts or omissions of the Executor. The foregoing shall not limit the right of the Trustee to request an accounting from the Executor with respect to the rights of any trust created hereunder. The Trustee shall have the power to purchase property from my estate and my spouse's estate at its fair market value, as determined by the personal representative of such estate and the Trustee. To the extent required to permit such purchase of assets and to permit loans from the Trustee to my estate and/or my spouse's estate, I specifically waive application of the provisions of Section 352 of the Texas Probate Code and Sections 113.053 and 113.054 of the Texas Trust Code.

12. Commingling Trust Estates. The Trustee may commingle all or any portion of the separate trust estates created by this Will and may hold them as a common fund with the separate trusts owning undivided interests in the common fund.

  
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13. Addition of Accumulated Income to Principal. The Trustee, on a convenient periodic basis, shall add the accumulated undistributed income of any trust which does not provide for mandatory income distributions to specified beneficiaries and which does not require that any undistributed income be maintained separately for ultimate distribution to specified beneficiaries, to the principal of such trust.

14. Distributions Not Treated as Advancements. No distribution to a beneficiary of any trust created hereunder shall be treated as an advancement against the beneficiary's share of such trust unless the distribution is specifically so treated on the Trustee's records at the time of the distribution and unless the Trustee gives notice of such fact to the beneficiary at the time of the distribution. If the Trustee has the discretion to make distributions from a trust to more than one beneficiary, the Trustee ordinarily should not treat distributions to any particular beneficiary as an advancement of that beneficiary's share of the trust unless an event has occurred causing the termination of such trust.

15. Tax Elections. The Trustee is authorized to make elections available under applicable tax laws as the Trustee determines, in its discretion, to be advisable even though such elections may affect the interests of trust beneficiaries. The Trustee need not, but may, in its sole discretion, make equitable adjustments of the interests of the trust beneficiaries in light of the effect of such elections.

16. Transactions in Which the Trustee Has a Direct or Indirect Interest. I expressly waive prohibitions existing under the common law and the Texas Trust Code that might otherwise prohibit a person or entity who is serving as a Trustee from engaging in transactions with himself or itself personally, so long as the consideration exchanged in any such transaction is fair and reasonable to the trust involved. Specifically, the Trustee is authorized (a) to buy or sell trust property from or to an individual or entity serving as a Trustee or from or to a relative, employee, business associate or affiliate of such individual serving as Trustee; (b) to sell or exchange and to transact other business activities involving properties of one trust with another trust under the control of the Trustee; and (c) to sell to or purchase from a trust the stock, bonds, obligations or other securities of the Trustee or its affiliate. To the extent the office of Trustee is filled by more than one person or entity, any such transaction in which a person or entity serving as a Trustee has an individual interest must be approved by all Trustees.

D. Apportionment of Receipts and Expenses Between Income and Principal. The Trustee shall have the power, exercisable in such Trustee's reasonable discretion, to determine what is principal or income of a trust and to allocate receipts and disbursements in a reasonable manner between principal and income, including the power to establish a reasonable reserve for depreciation or depletion and to fund the same by appropriate

  
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charges against income of the trust estate. For purposes of determining an appropriate reserve for depreciable or depletable assets, the Trustee may (but need not) adopt the depreciation or depletion allowances available for federal income tax purposes.

E. Methods of Payment. The Trustee may make distributions authorized by this Will to any beneficiary during such beneficiary's minority or other disability in any one or more of the following ways: (a) to such beneficiary directly, (b) to the guardian or other similar representative of such beneficiary, (c) to a custodian designated by the Trustee for the benefit of a minor beneficiary under the Texas Uniform Transfers to Minors Act or other appropriate state Uniform Transfers to Minors Act or Uniform Gifts to Minors Act, or (d) by the Trustee expending the same directly for the benefit of such beneficiary or by reimbursing a person who has advanced funds for the benefit of such beneficiary. In each case, the payment shall be a complete discharge of the Trustee in respect thereof. The Trustee may act upon such evidence as the Trustee deems appropriate and reliable in determining the disability of a beneficiary without liability by reason thereof.

F. Records, Books of Account and Reports. The Trustee shall promptly set up and thereafter maintain, or cause to be set up and maintained, proper books of account which shall accurately reflect the true financial condition of the trust estate. Such books of account shall be open at all reasonable times for inspection or audit of the beneficiaries and their duly authorized agents, attorneys, representatives and auditors; provided the expense of making such inspection or audit shall be borne by the beneficiary. Upon request of a beneficiary of the trust who is or could be entitled to receive a present income distribution, the Trustee shall make an annual written financial report to such beneficiary. The Trustee shall not be obligated to provide financial reports to a beneficiary who is less than twenty-one years old if such reports are being provided to a parent of such beneficiary. Such reports may be requested by the parent or guardian of a minor beneficiary or the guardian or other legal representative of any incapacitated beneficiary. Each such report shall include a statement of all property on hand at the end of such accounting period, of all property that has come to the knowledge or possession of the Trustee that has not been previously listed as property of the trust, of all known liabilities, of all receipts and disbursements during such period (including a statement as to whether the receipt or disbursement is of income or principal), and of such other facts as the Trustee deems necessary to furnish in order to provide adequate information as to the condition of the trust estate. Should any person interested in a trust estate request an accounting for the Trustee's actions that is more extensive or more frequent than the accounting normally to be rendered, the Trustee may require such person to pay the additional costs incurred in preparing the same before complying with such request.

G. Duty of Third Parties Dealing with Trustee. No person dealing with the Trustee shall be responsible for the application of any assets delivered to the Trustee, and the receipt of the Trustee shall be a full discharge to the extent of the property delivered.

  
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No purchaser from or other person dealing with the Trustee, no insurance company and no issuer or transfer agent of any securities to which any dealing with the Trustee shall relate shall be under any duty to ascertain the power of the Trustee to purchase, sell, exchange, transfer, collect, encumber or otherwise in any manner deal with any property held by the Trustee. No person dealing with the Trustee in good faith shall be under any duty to see that the terms of a trust are complied with or to inquire into the validity or propriety of any act of the Trustee.

H. Division and Distribution of A Trust Estate. When the Trustee is required to divide or make distribution of a trust estate, in whole or in part, such division or distribution may be made by the Trustee in cash or in kind, or partly in cash and partly in kind, and the Trustee may assign or apportion to the distributees undivided interests in any assets then constituting a part of such trust estate. The Trustee may encumber property, may sell property and may make non pro-rata distributions when the Trustee believes it is practical or desirable and equitable to do so in order to effectuate a trust distribution. If non-pro-rata distributions are to be made, the Trustee should attempt to allocate the tax basis of the assets distributed in an equitable manner among the beneficiaries of the trust, but the Trustee may at all times rely upon the written agreement of the trust beneficiaries as to the apportionment of assets. To the extent non-pro-rata distributions are made and the tax basis of the assets so distributed are not uniformly apportioned among beneficiaries, the Trustee may, but need not, make any equitable adjustments among such beneficiaries as a result of such non-uniformity in basis.

I. Collection of Life Insurance Proceeds and Employee Benefits. If any life insurance proceeds or employee benefits become payable to the Trustee, the Trustee shall be authorized to execute and deliver receipts and proofs of claim required to collect such property, and to elect, in the Trustee's discretion, optional modes of settlement available to it. In making such elections, the Trustee may give consideration to the tax effect thereof, if any, upon all of the beneficiaries of my estate regarding benefits payable following my death, including beneficiaries who are not beneficiaries of the trust which the Trustee is administering, and the Trustee may make any election that the Trustee believes is reasonable or proper under the circumstances. The Trustee shall not be obligated to make any economic adjustment among the beneficiaries of such trust or of such estate as a consequence of the tax ramifications resulting from any such election made or not made by the Trustee.

J. Estimated Income Tax Payment Allocation. The Trustee in its sole discretion may elect or not elect to treat all or any portion of federal estimated taxes paid by any trust to be treated as a payment made by any one or more beneficiaries of such trust who are entitled to receive current distributions of income or principal from such trust. The election need not be made in a pro rata manner among all beneficiaries of the trust. If there is an

  
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individual serving as a Trustee who is a beneficiary of a trust created hereunder, that individual shall not have the power and may not take part in any decision to treat any trust estimated income tax payment as a payment by such individual. In exercising or choosing not to exercise the discretion granted in this Section, the Trustee shall not be liable to any beneficiary or to any other persons directly or indirectly for any action or inaction so taken except for its willful fraud or gross negligence.

K. Generation-Skipping Transfer Taxes and Payment. If the Trustee considers any distribution or termination of any interest or power in a trust to be a taxable distribution (a "Distribution") or a taxable termination (a "Termination") or a direct skip (a "Direct Skip") for generation-skipping tax purposes, the Trustee may exercise the following authorities with respect to any such Distribution, Termination or Direct Skip. In the case of a Distribution, the Trustee may increase the amount to be distributed by an amount estimated to be sufficient to permit the beneficiary receiving such Distribution to pay the estimated generation-skipping tax attributable to such Distribution. Generally the Trustee would not be expected to augment any partial terminating distribution in order to pay generation-skipping taxes attributable to a partial terminating distribution from a trust. In the case of a Termination or Direct Skip, the Trustee shall pay the generation-skipping tax attributable to such Termination or Direct Skip and may postpone final termination of any particular trust or complete funding of any Direct Skip and may withhold all or any portion of the trust property, until the Trustee is satisfied it no longer has any liability to pay any generation-skipping tax with reference to a Termination or a Direct Skip. If a generation-skipping tax is imposed in part by reason of property held in trust under this Will and in part by reason of other property, the Trustee shall pay only the portion of such tax that is fairly attributable to the Distribution, Termination or Direct Skip hereunder, taking into consideration deductions, exemptions, credits and other factors which the Trustee deems appropriate. The Trustee may, but need not, make any equitable adjustment among beneficiaries of a trust as a consequence of additional distributions or generation-skipping tax payments made with respect to Distributions, Terminations or Direct Skips.

L. Powers of Trustee Subsequent to an Event of Termination. The Trustee shall have a reasonable period of time after the occurrence of an event of termination in which to wind up the administration of a trust and to make a distribution of its assets. During this period of time the Trustee shall continue to have and shall exercise all powers granted herein to the Trustee or conferred upon the Trustee by law until all provisions of the trust are fully executed.

M. Provisions Relating to Ancillary Trustee. In the event any of the property which is or may become a part of the assets of a trust created under this Will is situated in any jurisdiction other than the State of Texas and in which the Trustee is not qualified to act as Trustee or if for any other reason the Trustee should need or desire to appoint

  
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an ancillary trustee, the Trustee, to the extent permitted by the laws of such other jurisdiction, is empowered to name an individual or corporate trustee qualified to act in such jurisdiction in connection with the property there situated as ancillary trustee or as successor ancillary trustee of such property and to require such security as may be designated by the Trustee. Such appointment should be evidenced by a written, acknowledged instrument which specifies the effective time and date of appointment and contains an acceptance of appointment by such ancillary trustee.

The ancillary trustee so appointed shall have all the powers, duties and responsibilities granted to or imposed upon it by the Trustee, except where the same may be modified by the laws of the other jurisdiction. The Trustee may confine and limit the rights, powers and discretions of any ancillary trustee. The Trustee may remove such ancillary trustee, with or without cause, and appoint a successor at any time by the execution by the Trustee of a written, acknowledged instrument declaring such ancillary trustee removed from office, specifying the effective time and date of removal, and identifying the successor ancillary trustee. A copy of any instrument of removal shall be mailed to the ancillary trustee being removed from office, but such instrument of removal need not be delivered to or received by such ancillary trustee being removed in order to effect such removal from office.

The Trustee is authorized to determine and fix the compensation to be paid each ancillary trustee and to provide for the payment or reimbursement of expenses incurred by each such ancillary trustee. Each ancillary trustee so appointed shall account to the Trustee for all property which may be received by it in connection with the administration of such property.

N. Situs of Trusts. Each trust created herein shall be deemed a Texas trust and shall, in all respects, be governed by the laws of the State of Texas. The situs and principal office of each trust shall be maintained in the county of Texas stated in the first paragraph of this Will, regardless of the residence or domicile of the Trustee. However, if the Trustee, in its sole discretion, determines that a change of situs of all trusts would be beneficial to each separate trust established herein, the Trustee shall have the discretion and authority to change the situs of such trusts to another county in Texas or to another state. Formal notice of any change of situs may be given by the Trustee's filing a written declaration of change of situs of trusts, which declaration specifies the effective time and date of such change. The declaration shall be filed in the Official Public Records of the county then constituting the situs of the trusts, and a counterpart of such declaration shall be filed in the county to which the situs is being changed. If the situs of the trusts is changed to another state, the administration of the trusts shall, in all respects, be governed by the laws of the state to which the situs has been removed. During such period of time as the Trustee is not residing in the state in which the situs of the trust is located, such

  
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Trustee shall maintain an agent in such state in which the situs is located, authorized to receive communications, including service of process, directed to the Trustee as Trustee of any trust created hereunder.

O. S Corporation Stock. If (i) any stock of a corporation which is an S corporation within the meaning of Section 1361(a) of the Code is allocated to a trust created hereunder, and (ii) the Current Income Beneficiary (hereinafter defined) of that trust makes an election in accordance with Section 1361(d)(2) of the Code to qualify that trust as a Qualified Subchapter S Trust within the meaning of Section 1361(d)(3) of the Code (herein referred to as a "Qualified Subchapter S Trust"), then, notwithstanding any provision in this instrument to the contrary, the stock of each S corporation (herein referred to as "S Corporation Stock") may be segregated by the Trustee, in the Trustee's sole discretion, and held in a separate trust or separate share. Each separate trust (or separate share) shall have the same name as the trust to which the stock was originally allocated plus the name of the Current Income Beneficiary thereof, followed by the name of the S corporation whose stock is held in trust and the words "Trust S" (herein referred to as a "Trust S"). Each Trust S shall be administered in accordance with the same provisions contained in the trust to which the stock was originally allocated; provided, however, that the provisions of this subsection shall control the administration of each Trust S to the extent they are inconsistent with the provisions of the original trust.

1. Current Income Beneficiary. A Trust S shall have only one Current Income Beneficiary, who shall be the person who has a present right to receive income distributions from the trust to which the S Corporation Stock was originally allocated. If more than one person has a present right to receive income distributions from such trust, the Current Income Beneficiary shall be the primary beneficiary of the trust as determined by the Trustee. If the Trustee, in the Trustee's sole discretion, determines there is more than one primary beneficiary, the Trustee may cause the S Corporation Stock to be segregated into more than one Trust S, each with a different Current Income Beneficiary.

2. Distributions. The Trustee of each Trust S shall distribute all of its income (as that term is defined in Section 643(b) of the Code) to the Current Income Beneficiary of that trust at least annually. If a Trust S ceases to hold S Corporation Stock, then distributions of income shall be governed by the terms of the trust to which the S Corporation Stock was originally allocated, except that income may only be distributed to the Current Income Beneficiary of each Trust S. Distributions of principal shall be governed by the terms of the trust to which the S Corporation Stock was originally allocated except that principal may only be distributed to the Current Income Beneficiary of each Trust S.

3. Termination of a Trust S. If any Trust S is terminated during the lifetime of the Current Income Beneficiary, all of the principal and undistributed income of that Trust S shall be distributed to the Current Income Beneficiary. If not earlier terminated by

  
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distribution of the entire trust estate under the foregoing provisions, each Trust S shall terminate on the death of the Current Income Beneficiary, at which time the Trustee shall administer or distribute any property in that Trust S in accordance with the provisions that would have been applicable to the administration of those assets if that Trust S had never been created. If upon the death of the Current Income Beneficiary, the S Corporation Stock continues to be held in any trust created hereunder, the Trustee shall administer such S Corporation Stock in accordance with the provisions of this subsection.

4. Trust S Savings Clause. Each Trust S shall be administered in such a manner to prevent the termination of the S corporation status of any corporation whose stock is held as a part of such Trust S. If and to the extent the terms of this instrument are inconsistent with any trust created hereunder qualifying as a Qualified Subchapter S Trust, it is intended that the terms of this instrument be construed and administered in a manner that is consistent with qualifying the trust as a Qualified Subchapter S Trust during any period that the trust holds S Corporation Stock, and any provision incapable of being so construed or applied shall be disregarded.

5. Reformation to Conform with S Corporation Requirements. It is intended that any S Corporation Stock comprising a portion of the trust estate be eligible to be held pursuant to the terms of this subsection, either as a Qualified Subchapter S Trust in a Trust S or in any other manner permitted by the Code or the regulations or rulings thereunder. Accordingly, the Trustee is granted the power to amend or modify this subsection by written instrument without the ruling of any court when, in the opinion of the Trustee, amendment is required to any Trust S established hereunder to permit S Corporation Stock to be held pursuant to the terms of this subsection. The sole purpose of this power to amend this subsection is to enable the Trustee to make technical amendments as necessary to permit any Trust S to hold S Corporation Stock in accordance with the Code and regulations promulgated thereunder.

P. Creation of Multiple Trusts. If at any time the Trustee is directed or authorized to allocate assets to a trust created hereunder and if, in the Trustee's judgment, accounting or other administrative burdens would be simplified (for tax reasons or otherwise) by the creation of two or more identical trusts (as may be the case if creating multiple trusts will facilitate making appropriate elections so that one or more of such trusts will be wholly exempt from the federal generation-skipping transfer tax) the Trustee may, in its sole discretion, elect to create two or more separate and distinct identical trusts and to allocate the assets between such identical trusts as the Trustee determines to be appropriate so long as the method of asset allocation does not jeopardize an otherwise allowable estate tax deduction or generation-skipping transfer tax exemption available to such trust. If such multiple identical trusts are created and if the Trustee has the discretion

  
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to make distributions to the beneficiary or beneficiaries of such trusts pursuant to the provisions of this Will, the Trustee thereafter may exercise discretionary powers held with respect to each such trust (including discretionary distributional powers) on an independent basis.

Q. Release of Power. Any Trustee serving hereunder shall have the power to release or to restrict the scope of any power that it may hold in connection with any trust created in this Will, whether such power is expressly granted herein or is implied or expressly granted by law. Such power to release or restrict the scope of any power shall be exercised by a written instrument signed by such Trustee and acknowledged in form suitable for recording which specifies the powers released or the nature of the restriction and the effective date thereof.

R. Trustee's Right to Terminate. During the time that a Corporate Trustee is serving as Trustee of any trust estate created hereunder, the Corporate Trustee shall have the right and power to terminate any trust estate created hereunder; provided, however, that it first secures the written consent of each beneficiary of such trust or the legal guardian or representative of each such beneficiary. This right and power to terminate are granted for the express purpose of permitting the Corporate Trustee, with the consent of each beneficiary or the legal guardian or representative of such beneficiary, to terminate a trust when the Corporate Trustee, in its sole and absolute discretion, deems it advisable, desirable or necessary. Upon termination of any separate trust estate as aforesaid, the then remaining property of said separate trust estate shall be distributed outright and free of trust to the beneficiary or beneficiaries of each respective trust who are then currently entitled to receive distributions of income, in the proportion in which they are beneficiaries, therefrom to the exclusion of any remaindermen or other beneficiaries designated by the provisions of such separate trust estate. The Corporate Trustee's judgment shall be final, binding and conclusive upon all parties ever interested hereunder, and distribution of the trust funds in the manner herein provided shall relieve the Corporate Trustee and any other Trustee of any further responsibility with respect to such funds.

S. Trustee's Right to Merge. If at any time the Trustee of any trust under this Will shall also be acting as Trustee of any other trust, created by trust instrument or by will, for the benefit of the same beneficiary or beneficiaries and upon substantially the same trusts, terms and conditions, my Trustee is authorized and empowered, if in its discretion such action is in the best interest of the beneficiary or beneficiaries of the trust, to transfer and merge all of the assets then held in such trust under this Will to and with such other trust and thereupon and thereby to terminate the trust under this Will. My Trustee is further authorized to accept the assets of the other trust which may be transferred to it hereunder and to administer and distribute such assets and properties so transferred in accordance with the provisions of this Will.

  
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T. Limitation on Distributions. The Trustee shall make no distribution of income or principal from any trust hereunder that has the effect of satisfying, in whole or in part, any legal obligation of the Trustee.

U. Limitations on Beneficiary Serving As Trustee. If an individual is both a Trustee and beneficiary of a trust created under this Will, he or she may make distributions to himself or herself pursuant to the terms of the trust, except that he or she shall not possess or exercise any powers with respect to, nor authorize or participate in any decision as to: (i) any discretionary distribution or any loan to or for the benefit of himself or herself, except to the extent that the distributions or loans are limited to amounts necessary for his or her health, maintenance, support and education; (ii) any discretionary distribution to any other beneficiary, if the distribution would discharge any of the Trustee's legal obligations; (iii) the termination of the trust because of its small size, if the termination would result in a distribution to himself or herself or if the distribution would discharge any of his or her legal obligations; (iv) the treatment of any estimated income tax payment as a payment by him or her, except to the extent that the payment is limited to an amount necessary for his or her health, maintenance, support and education; nor (v) any action to be taken regarding an insurance policy held in the trust insuring his or her life, unless expressly authorized by other provisions of this Will. These decisions shall be made solely by the other then serving Trustee or Trustees of the trust ("Independent Trustee"). If necessary, the currently acting Trustee may appoint the individual or entity (if any) next designated under this Will to act as Trustee or as an Independent Co-Trustee of the trust. However, if any Independent Co-Trustee is appointed under these circumstances, the sole power and responsibility of the Independent Co-Trustee shall be to make decisions reserved to the Independent Trustee.

V. Limitations Regarding Life Insurance. Notwithstanding any other provision in this Will to the contrary, the following limitations shall apply with respect to any life insurance owned by any trust established under this Will:

1. Insurance on Life of Beneficiary Serving as Trustee. This Section shall apply whenever a trust created under this Will owns any interest in an insurance policy on the life of an individual serving as sole Trustee of the trust. Except as otherwise provided in this Will, that Trustee must: (a) designate the Trustee of the trust as the beneficiary of the policy to the extent of the trust's interest in the policy; (b) continue to pay the premiums on the policy without using policy loans; and (c) allow any policy dividends to reduce premiums. Upon termination of the trust, the Trustee must distribute the policy to the beneficiaries of the trust. That Trustee shall not possess or exercise any other powers with respect to, or authorize or participate in any other decision as to, the policy. All other actions with respect to the policy shall be made solely by the other then serving Trustee or Trustees of the trust ("Insurance Trustee"). If necessary, the currently acting Trustee may appoint the individual or entity (if any) next designated under this Will to act as an

  
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Insurance Co-Trustee of the trust. If an Insurance Trustee is appointed, the only authority of the Insurance Trustee shall be the exclusive authority to make discretionary decisions as to the policy, including decisions to surrender or cancel the policy, borrow against the policy and distribute the policy during the term of the trust.

2. Limitation on Insured Beneficiary's Limited Power of Appointment. If any policy insuring the life of a beneficiary of a trust is an asset of that beneficiary's trust, the policy and all proceeds thereof shall not be subject to any limited power of appointment exercisable by that beneficiary.

## SECTION XVI

### SPECIAL PROVISIONS FOR MERRILL LYNCH TRUST COMPANY

Notwithstanding any provision in this Will to the contrary, the following provisions shall apply to MERRILL LYNCH TRUST COMPANY, a division of Bank of America, N.A., (hereinafter "Merrill Lynch Trust"), in its capacity as Executor of this Will and of my estate and as Trustee of any trust created under this Will:

A. Powers Regarding Affiliates. Merrill Lynch Trust shall have the following specific powers and may exercise the same in its sole and absolute discretion:

1. To engage any corporation, partnership or other entity affiliated with Merrill Lynch Trust (an "Affiliated Entity") to render services to any trust hereunder, including, without limitation, to act as a broker or dealer to execute transactions, (including the purchase of any securities currently distributed, underwritten or issued by an Affiliated Entity) at standard commission rates, markups or concessions and to provide other management or investment services, including the custody of assets, at such Affiliated Entity's standard rates, and to pay for any such services from trust property without reduction in the compensation paid to Merrill Lynch Trust for its services as Executor and/or Trustee except to the extent otherwise provided in its published fee schedule.

2. To invest in open-end or closed-end investment companies offered by an Affiliated Entity or to which an Affiliated Entity may render services for compensation without reduction in Merrill Lynch Trust's compensation for any fees paid to such Affiliated Entity by such investment company.

3. To invest estate assets and/or trust assets or sweep cash awaiting distribution or investment into Merrill Lynch Trust's own deposits or the deposits of Affiliated Entity without reduction for any fees paid to such Affiliated Entity.

  
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B. Jurisdiction and Nominee Name. Merrill Lynch Trust may cause all or any part of the estate and/or any trust hereunder to be maintained or managed in any jurisdiction and may hold any estate property and/or trust property in the name of its nominee or a nominee of any Affiliated Entity.

C. Powers to Employ and Delegate. Merrill Lynch Trust shall have the powers to employ and/or delegate any of its discretionary and nondiscretionary powers to agents (including any Affiliated Entity) including, but not limited to, attorneys, investment advisors, appraisers or accountants, as it deems appropriate and to pay for such services from the estate and/or trust property.

D. Resignation and Related Issues. Merrill Lynch Trust may resign as Executor and/or as Trustee of any trust created hereunder at any time by written notice delivered to any Co-Executor(s) and Co-Trustee(s) and to all beneficiaries to whom current estate and trust payments may or must then be distributed or to the natural or legal guardians of such beneficiaries (the "Beneficiaries"). Such resignation shall be effective upon the written appointment and acceptance of a Successor Executor or Successor Trustee, as the case may be. A majority of the Beneficiaries shall have the power to appoint a Successor Trustee. If in default of such appointment the office of Executor and/or Trustee would be vacant and none has been appointed, then sixty (60) days following Merrill Lynch Trust's initial notice of its intent to resign, Merrill Lynch Trust shall have the power to petition the court at estate and/or trust expense (including reasonable attorneys' fees) to appoint its Successor. No bond or other security shall be required of Merrill Lynch Trust or any successor Executor or Trustee in any jurisdiction.

E. Compensation. Merrill Lynch Trust shall receive payment for its services in accordance with its schedule of rates in effect at the time such compensation becomes payable, without reduction for any other fees or other compensation paid to Merrill Lynch Trust or to any Affiliated Entity, including, but not limited to such fees or other compensation paid by any open-end or closed-end investment company, unit investment trust or other investment vehicle, or an agent.

F. Accounting. Merrill Lynch Trust may, but shall not be required to, at any time, and from time to time, file an account of its administration with a court of competent jurisdiction. Prior to transferring any or all of the assets of the estate or any trust hereunder to a Successor Executor or Successor Trustee or to making complete distribution of estate or trust principal, Merrill Lynch Trust may require an approval of its account either by a court of competent jurisdiction or by such of the beneficiaries as it deems appropriate. All of the Executor and/or Trustee's fees and expenses (including reasonable attorneys' fees) attributable to any such accounting and approval shall be paid by the estate or trust for which such accounting and approval made.

  
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G. Indemnification. My estate and the trust estate shall indemnify and hold harmless Merrill Lynch Trust as Executor and Trustee and the Affiliated Entities from and against any and all claims, demands, losses, liabilities, damages and expenses which may be sustained at any time because of any act of omission, including acts or omissions of ordinary negligence, occurring before the date the estate property or trust property was received by the Executor or Trustee. Merrill Lynch Trust is expressly relieved of any duty or responsibility to audit or review the actions or accounts of its predecessors and, further, is relieved from any liability for the acts or omissions of its predecessors, known or unknown.

H. Environmental Powers. Merrill Lynch Trust shall have the power to (i) conduct environmental assessments, audits, and site monitoring to determine compliance with any environmental law or regulation; (ii) take all appropriate remedial action to contain, cleanup or remove any environmental hazard including a spill, release, discharge or contamination, either on its own accord or in response to an actual or threatened violation of any environmental law or regulation; (iii) institute legal proceedings concerning environmental hazards or contest or settle legal proceedings brought by any local, state, or federal agency concerned with environmental compliance, or by a private litigant; (iv) comply with any local, state or federal agency order or court order directing an assessment, abatement or cleanup of any environmental hazards; and (v) employ agents, consultants and legal counsel to assist or perform the above undertakings or actions. Any expenses incurred by Merrill Lynch Trust under this paragraph shall be paid from the estate or trust. Merrill Lynch Trust shall not be liable for any loss or depreciation in value sustained by the estate or trust as a result of Merrill Lynch Trust retaining any property upon which there is later discovered to be hazardous materials or substances requiring remedial action pursuant to any federal, state, or local environmental law, unless Merrill Lynch Trust contributed to the loss or depreciation in value through willful misconduct or gross negligence.

## SECTION XVII

### PROCEEDS, BENEFITS AND ACCOUNTS PAYABLE TO TRUSTEE

My Trustee hereunder may be named as the direct beneficiary of one or more life insurance policies on my life and as the direct beneficiary of one or more deferred compensation plans, employee benefit plans or individual retirement accounts payable by reason of my death. All proceeds, benefits and accounts described in this Section which are payable directly to my Trustee hereunder shall be allocated and distributed as follows:

  
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A. If my spouse survives me, my spouse's community one-half (1/2) interest in such proceeds and benefits, and all of such proceeds and benefits which comprise the separate property of my spouse shall be allocated and distributed outright to my spouse.

B. If my probate estate is insufficient to fully satisfy the gift of the tax exempt amount under the provisions of this Will, then such proceeds and benefits shall be allocated and distributed to the extent necessary to fully satisfy that gift. The allocation and distribution of proceeds and benefits under the provisions of this Subsection shall be made in the same manner, and subject to all of the same requirements as prescribed for that gift under the provisions of this Will.

C. If my probate estate is insufficient to fully satisfy the gift of the generation skipping amount under the provisions of this Will, then such proceeds and benefits shall be allocated and distributed to the extent necessary to fully satisfy that gift. The allocation and distribution of proceeds and benefits under the provisions of this Subsection shall be made in the same manner, and subject to all of the same requirements as prescribed for that gift under the provisions of this Will.


D. The balance of such proceeds and benefits or all of such proceeds and benefits if there is no necessity to make the allocations and distributions provided for under the provisions of Subsections A, B and C shall be allocated and distributed as a part of my residuary estate.

## SECTION XVIII

### DEFINITIONS

A. Code. All references in this Will to the "Code" mean the Internal Revenue Code of 1986, as amended, and refer to corresponding provisions of subsequent federal tax laws.

B. Descendants. All references in this Will to "descendants" are to the lawful children of the person designated and the lawful lineal descendants of such children, including any person adopted through court proceedings, but any adopted person other than a child of mine shall be included only if adopted when under the age of 14 years. A child in gestation who is born alive shall be considered a descendant in being throughout the period of gestation.

  
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C. Distributions to Descendants Per Stirpes. Distributions to a person's descendants per stirpes shall mean that the property to be distributed shall be divided as follows: (a) one share for each then living child of that person, and (b) one share for each deceased child of that person with descendants then living. Each such living child of that person shall take the share allocated to that child, and the share allocated to each deceased child shall be divided among such deceased child's then living descendants, in the same manner as provided in the preceding sentence.

D. Personal Effects. All references in this Will to "Personal Effects" are to all my intimate personal effects (such as my jewelry, clothing, books, china, crystal, and silverware), furniture and furnishings, objects of art, automobiles, boats, club memberships, and all other personal property of a nature, use, and classification similar to the foregoing, subject to any indebtedness thereon and together with the proceeds of any insurance policies relating thereto in the event of theft or other loss. The determination of which items constitute Personal Effects where there is reasonable doubt or uncertainty shall be in the sole judgment of the Executor, whose decision shall be conclusive on all concerned. The Executor may make a binding and conclusive resolution of any reasonable doubt or uncertainty as to whether the term Personal Effects includes any particular asset or assets.

E. Executor. The word "Executor" refers to the person, persons, institutions, or any combination of them then serving in such capacity.

F. Trustee The word "Trustee" refers to the person, persons, institutions, or any combination of them then serving in such capacity. The term "corporate Trustee" refers to the institution then serving in such capacity.

## SECTION XIX

### GENERAL PROVISIONS

A. Will Not Contractual. This Will is not being executed pursuant to or as part of any contract, and I am free to revoke or change this Will at any time.

B. Survivorship. For purposes of this Will, no person shall be deemed to have survived me if that person dies within 30 days of my death.

C. Conflicts of Interest. I realize that in the course of the administration of my estate, in the course of valuing and making distribution of estate assets, and in the course of administering any trusts established hereunder, certain conflicts of interest may develop between my spouse, my descendants and other beneficiaries, between the various classes

  
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of beneficiaries, and between the fiduciary in the capacity of personal representative and the fiduciary in the capacity of trustee. In the resolution of any conflict of interest, I direct each fiduciary first to make a reasonable effort to determine the overall effect of the conflict in the administration of my estate and of the trust or trusts herein created and then to make reasonable efforts to resolve the conflict by mutual agreement of the respective beneficiaries. In the event that mutual agreement cannot be reached after reasonable efforts, then my fiduciary shall resolve any such conflict in its sole discretion based upon the following priorities: (1) My spouse shall be favored at the expense of my descendants; (2) Among my descendants, my children shall be favored at the expense of more remote descendants; and (3) Life tenants of any class shall be favored at the expense of remaindermen.

D. Provisions for All Descendants. Under this Will I am providing for all my descendants in the manner and to the extent I desire, including any later born or adopted descendants.

E. Separate Property. It is my intent that all distributions of both income and principal to any beneficiary be deemed gifts and constitute the sole and separate property of the beneficiary receiving the distribution.

F. Titles, Headings, Captions, Gender and Number. The titles, headings, and captions used in this Will are for convenience only. Any conflict between the headings and text shall be resolved in favor of the text. Any reference to the masculine, feminine, or neuter genders, and the singular or plural number, shall be deemed to include the others.

## SECTION XX

### TESTIMONIUM CLAUSE

I, LOUIS WALTER OWEN, in the presence of the undersigned witnesses hereby sign my name to this Will on this the 1 day of March, 2010.

  
\_\_\_\_\_  
LOUIS WALTER OWEN  
Testator

  
L.W.O.

SECTION XXI

ATTESTATION CLAUSE

We, the undersigned persons of lawful age, declare that the foregoing instrument was signed, published, and declared by LOUIS WALTER OWEN, the above named Testator, as his Last Will, in our presence, and we, at his request, and in his presence and in the presence of each other, have subscribed our names to this instrument as attesting witnesses on the day and year last above written; and we certify that, in our opinion, the said Testator is of sound and disposing mind.

WITNESS:

ADDRESS:

Michael D. Allen

First Witness' Signature

3805 Old Bullard Road  
Tyler, Texas 75701

Rudi L. Nelson

Second Witness' Signature

3805 Old Bullard Road  
Tyler, Texas 75701

L.W.O.  
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SECTION XXII

SELF-PROVING AFFIDAVIT

STATE OF TEXAS

§  
§  
§

COUNTY OF SMITH

BEFORE ME, the undersigned authority, on this day personally appeared LOUIS WALTER OWEN, Michael D. Aven, and Audri L. Nelson, known to me to be the Testator and the witnesses, respectively, whose names are subscribed to the annexed or foregoing instrument in their respective capacities, and, all of said persons being by me duly sworn, the said LOUIS WALTER OWEN, Testator, declared to me and to the said witnesses in my presence that said instrument is his Will, and that he had willingly made and executed it as his free act and deed; and the said witnesses, each on his or her oath stated to me, in the presence and hearing of the said Testator, that the said Testator had declared to them that said instrument is his Will, and that he executed same as such and wanted each of them to sign it as a witness; and upon their oaths each witness stated further that they did sign the same as witnesses in the presence of the said Testator and at his request; that he was at that time eighteen (18) years of age or over (or being under such age was or had been lawfully married, or was then a member of the armed forces of the United States or of an auxiliary thereof or of the Maritime Service) and was of sound mind; and that each of said witnesses was then at least fourteen (14) years of age.

Louis W. Owen  
LOUIS WALTER OWEN  
Testator's Signature

Michael D. Aven  
First Witness' Signature

Audri L. Nelson  
Second Witness' Signature

SUBSCRIBED AND SWORN TO BEFORE ME by the said LOUIS WALTER OWEN, Testator, and by the said Michael D. Aven, and Audri L. Nelson, witnesses, this 1 day of March, 2010.

Suzanna Young  
Notary Public

L.W.O.



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FIRST CODICIL  
OF  
LOUIS WALTER OWEN

FILED  
KAREN PHILLIPS  
COUNTY CLERK  
SMITH COUNTY, TEXAS  
16 NOV -9 PM 2:14  
B. Phillips  
DEPUTY

I, LOUIS WALTER OWEN, a resident of Smith County, Texas, do make and publish this the First Codicil to my Will, which was executed on March 1, 2010, and I now republish and declare said Will, as amended by this First Codicil, to be my Will.

ITEM I.

I add the following provisions to my said Will as Section IV F.:

If my spouse fails to survive me, I give all of my interest in CBR Holdings, LLC to either the Celeste Rekieta Trust or the Celeste Rekieta Non-Exempt Trust (as my executor shall determine). If my spouse fails to survive me, I give all of my interest in PSDO Holdings, LLC to either the John Owen Trust or the John Owen Non-Exempt Trust (as my executor shall determine). If my spouse fails to survive me, I give all of my interest in PTBL Holdings, LLC to either the Paul Owen Trust or the Paul Owen Non-Exempt Trust (as my executor shall determine).

ITEM II.

I completely rewrite and amend Section XIII.A. of my said Will to read as follows:

A. Appointment. I appoint my spouse to serve as Independent Executor of this Will. If my spouse shall die, resign, fail, refuse or become incapable or unable to serve as Executor of this Will for any reason, I appoint my attorney TY BEARD to serve as Independent Executor.

If both my spouse and TY BEARD shall die, resign, fail, refuse or become incapable or unable to serve as Co-Executor of this Will for any reason, then, I appoint CELESTE ANN REKIETA, JOHN KERMIT OWEN and LOUIS PAUL OWEN to serve as Independent Co-Executors of this Will.

At any time, my spouse, CELESTE ANN REKIETA, JOHN KERMIT OWEN or LOUIS PAUL OWEN may remove TY BEARD as Independent Executor. A majority is not required to remove TY BEARD; one of them is sufficient. In such case, I appoint CELESTE ANN REKIETA, JOHN KERMIT OWEN and LOUIS

LWO

PAUL OWEN to serve as Independent Co-Executors of this Will.

**ITEM III.**

I completely rewrite and amend Section XIV A., Section XIV B., Section XIV C. and Section XIV D. of my said Will to read as follows:

A. Appointment. I appoint my spouse to serve as Trustee of each trust created under this Will. If my spouse shall die, resign, fail, refuse or become incapable or unable to serve as Co-Trustee of any trust created under this Will for any reason, I appoint my attorney TY BEARD to serve as Trustee of such trust. If both my spouse and TY BEARD shall die, resign, fail, refuse or become incapable or unable to serve as Trustee of any trust created under this Will for any reason, I appoint CELESTE ANN REKIETA, JOHN KERMIT OWEN and LOUIS PAUL OWEN to serve as Co-Trustees of such trust.

B. Removal Power. Notwithstanding the appointments in Subsection A above, my spouse, CELESTE ANN REKIETA, JOHN KERMIT OWEN or LOUIS PAUL OWEN will have the power to remove TY BEARD as Trustee of any trust that he or she is a beneficiary of. For clarification, and as an example, LOUIS PAUL OWEN may remove TY BEARD as Trustee of any trust that LOUIS PAUL OWEN is a beneficiary of (even if such trust has other beneficiaries).

C. Resignation of Trustee. Any Trustee of a trust created under this will may resign by giving notice to the beneficiaries of such trust.

D. Successor Trustee. If any trust created by this will becomes vacant for any reason, the power to appoint a successor shall be exercisable by my spouse for a period of 60 days. If my spouse fails to appoint a successor Trustee, the power to appoint a successor shall be exercisable by CELESTE ANN REKIETA, JOHN KERMIT OWEN and LOUIS PAUL OWEN (by majority vote) for 90 days.

**ITEM IV.**

I completely rewrite and amend Section XIV F. of my said Will to read as follows:



E. Deleted.

In every other respect, I hereby confirm and republish my Will.

I, LOUIS WALTER OWEN, as testator, after being duly sworn, declare to the undersigned witnesses and to the undersigned authority that this instrument is the first codicil to my will, that I have willingly made and executed it in the presence of the undersigned witnesses, all of whom were present at the same time, as my free act and deed, and that I have requested each of the undersigned witnesses to sign this first codicil to my will in my presence and in the presence of each other. I now sign this first codicil to my will in the presence of the attesting witnesses and the undersigned authority on February 1, 2012.

Louis W. Owen  
LOUIS WALTER OWEN, Testator

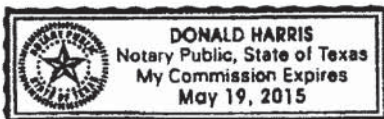
The undersigned, Ty Beard and \_\_\_\_\_, each being above fourteen years of age, after being duly sworn, declare to the testator and to the undersigned authority that the testator declared to us that this instrument is the testator's first codicil and that the testator requested us to act as witnesses to the testator's first codicil and signature. The testator then signed this first codicil in our presence, all of us being present at the same time. The testator is eighteen years of age or over (or being under such age, is or has been lawfully married, or is a member of the armed forces of the United States or of an auxiliary thereof or of the Maritime Service), and we believe the testator to be of sound mind. We now sign our names as attesting witnesses in the presence of the testator, each other, and the undersigned authority on February 1, 2012.

Ty Beard  
Witness Signature

Ellie Carver  
Witness Signature

Subscribed and sworn to before me by the said LOUIS WALTER OWEN, the testator, and by the said Ty Beard and Ellie Carver, witnesses, on February 1, 2012.

Donald Harris  
Notary Public, State of Texas



L.W.O.

