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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SANTA BARBARA – ANACAPA DIVISION

KATHLEEN M. IRELAND, an individual; GREGORY P. OLSEN, M.D., an individual; and BARBARA IRELAND, an individual. Plaintiffs, v. JASON WINTERS, an individual; ERIK STERLING, an individual; STEPHEN ROSEBERRY, an individual; JON CARASCO, an individual; NIC MENDOZA, an individual; BRITTANY DUNCAN, an individual; and DOES 1-25, inclusive, Defendants.	Case No. **COMPLAINT FOR DAMAGES AND EQUITABLE RELIEF FOR:** **1. BREACH OF FIDUCIARY DUTY;** **2. CONSTRUCTIVE FRAUD;** **3. FINANCIAL ELDER ABUSE;** **4. FINANCIAL ELDER ABUSE;** **5. NEGLIGENCE;** **6. BREACH OF IMPLIED CONTRACT;** **7. BREACH OF IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING;** **8. INTENTIONAL MISREPRESENTATION;** **9. CONCEALMENT;** **10. CONVERSION;** **11. THEFT (PENAL CODE § 496);** **12. ACCOUNTING;** **13. COMMON COUNT; AND** **14. UNFAIR BUSINESS PRACTICES** **DEMAND FOR JURY TRIAL**

Plaintiffs Kathleen M. Ireland ("Kathy") and Gregory P. Olsen, M.D. ("Greg"), a married couple, and Kathy's mother Barbara Ireland ("Barbara") (together, "Plaintiffs"), hereby allege as follows:

/ / /

I.

INTRODUCTION

1. This case is about trust betrayed on a *staggering* and *unconscionable* scale. More than three decades ago, at just twenty-six years old, supermodel Kathy Ireland placed her faith — financial, professional, and personal — in two Hollywood insiders, who promised to "take care of everything" for her. Kathy believed (and still does) in values and loyalty. At that young age, Kathy was building her career. She was newly married, planning to start a family. She believed in hard work. She believed in doing business with integrity. And, she believed in them, based on their promises to her. Tragically, that belief was misplaced. They were deceiving her, all along.

2. For over thirty-five years, Defendants Jason Winters ("Winters") and Erik Sterling ("Sterling") held themselves out to Kathy and Greg, not only as their managers, but as their family. They obtained powers of attorney. They took complete control over Kathy's and Greg's finances, Greg's earnings as a physician and commercial fisherman, the couple's supposed investments and retirement planning, and ultimately the structure and finances of the businesses built on Kathy's name, likeness, integrity and hard work. But in fact, they concealed and misrepresented information from Kathy and Greg to hide their predatory misdeeds.

3. Winters and Sterling told Kathy she was extraordinarily wealthy. They told her and Greg they had financial investments securing their and their children's futures. They told them they would never need to worry. The world repeated those claims. The brand she built, through tireless work, travel, public appearances, licensing, and faith-based leadership, was touted as an empire. But while Kathy's tireless work and integrity was real, and while the value of the brand and the business and gross income she and Greg generated surely could and should have left them with wealth and financial security for their retirement years, the corrupt Defendants' management of the money was a sham.

4. The illusion shattered when Kathy and Greg attempted to co-sign a modest mortgage for their son. They believed they had impeccable credit and significant liquidity that had been invested by Winters and Sterling. Instead, they were shocked when their application was denied. They learned they lacked the creditworthiness they had been assured they possessed. They could not

access the wealth they had been told existed. When Kathy pressed for answers, and for a small amount of her believed liquidity to loan her son for a down payment on a home, the responses were manipulative, evasive, and subversive. Winters and Sterling said her investments were so complex they need six months' notice to liquidate them. They led her on and stalled. Still, after decades together, Kathy still believed that they were just "quirky" and that ultimately they would explain themselves and give her the promised funds from her supposed investments. Kathy gave them every chance. She never suspected that all along, Winters and Sterling were working against her and Greg, not with them or for them.

5. What Plaintiffs have since learned has been devastating to them, and they still do not know the whole story, as Defendants' spin continues to this day. Kathy and Greg now know there are no substantial retirement accounts. There are no prudently managed investments securing their future, as promised. There is no wealth securing their retirement and their children's futures, as they were lead to believe. Instead, in the wake of Defendants misconduct, there was staggering debt, misused credit, secret loans, and missing funds.

6. Defendants have not merely mismanaged money. They had consolidated control over Kathy and Greg, through a tightly interwoven network of personal, trust and corporate relationships designed to obscure accountability. They seized and commingled funds. They failed to keep records. They placed their own family members and adopted adult "children" into fiduciary and business roles, using them as a buffer to hide from accountability. They cultivated a cabal of inter-familial relationships that blurred personal loyalty and fiduciary duty. Their message was clear: this was not a business subject to oversight; it was a "family" never to be questioned. For decades, that manipulative, emotional architecture, coupled with false promises of financial security and success, insulated Defendants from scrutiny.

7. Kathy Ireland is a woman known publicly for her faith, service, and integrity. These are not marketing slogans; they are central to who she is. Defendants opportunistically took advantage of and leveraged her character — her loyalty, her trust, her reluctance to assume deceit — as a shield for their own disreputable conduct. While Kathy worked, and worked, and worked some more — traveling, speaking, licensing products, building relationships, generating goodwill and

revenue — she was never paid a salary. Instead, she was told her income was being invested by Defendants. What a lie – it was not.

8. Kathy's husband, Greg Olsen, M.D., entrusted his own earnings to Defendants, relying on that same trust, misrepresentations of competence and promises of "family." Greg not only worked as an emergency room physician but also as a very successful commercial fisherman, operating 4th Watch Seafood. Defendants took all of his earnings, ruining his finances as well. Funds were taken from him. A loan was taken in his name. His credit was impaired. Additionally, elder family members, such as Kathy's mother Barbara, were drawn into the financial structure and likewise harmed.

9. When Plaintiffs recently recognized they absolutely must save themselves and began disentangling themselves from Defendants, Defendants did not respond with transparency or kindness. They responded with hostility, manipulation, deceit, concealment, obstruction, and public attacks. This lawsuit seeks and demands accountability by Winters, Sterling and their corrupt cohorts. It seeks to expose the decades-long misuse of fiduciary power. It seeks recovery of misappropriated, diverted and mismanaged funds. It seeks restitution for Financial Elder Abuse. It seeks transparency through accounting and surcharge. And, it seeks to protect the good name, reputation, and future of a couple, Kathy and Greg, whose life's work was entrusted to individuals who promised stewardship but delivered devastation. This is not a dispute over a failed investment. It is about fiduciaries who obtained absolute control over their clients' life and finances, falsely assured them they were secure, lied and left them in turmoil. Indeed, Kathy and Greg may well not be Defendants' only victims. Defendants must now answer for their actions.

II.

<u>THE PARTIES</u>

10. Plaintiff Kathy Ireland is a celebrated model, actress, business person and entrepreneur who resides in Santa Barbara, California.

11. Plaintiff Greg Olsen, M.D., is a former emergency room physician, who resides in Santa Barbara, California. He is also a commercial fisherman, among the top producers in the State of

California. Greg is more than 65 years old and is an “elder” within the meaning of California Welfare and Institutions Code section 15610.27.

12. Plaintiff Barbara Ireland is the mother of Kathy Ireland. Barbara is more than 65 years old and is an “elder” within the meaning of California Welfare and Institutions Code section 15610.27.

13. Plaintiffs are investigating the facts underlying this action, many of which are within the unique possession and knowledge of Defendants, and Defendants have and continue to actively conceal the true facts from Plaintiffs as a part of their continuing scheme and conspiracy. Plaintiffs reserve the right to amend this complaint and to allege additional, new or different facts and causes of action and seek additional and different remedies, as their investigation and discovery efforts continue and as may be appropriate and applicable.

14. Defendants Winters and Sterling are married spouses and business partners. Winters and Sterling are the ring leaders of a corrupt and dysfunctional cabal. They hold themselves out as leading Hollywood managers, having various celebrity clients over the years, including Plaintiffs and others. Upon information and belief, Winters and Sterling held themselves out as and acted as talent agents and personal financial advisors, without holding the required licenses and/or certifications issued by the State of California, and without having the expertise, competence and capacity to do so.

15. Defendants Stephen Roseberry (“Roseberry”) and Jon Carrasco (“Carrasco”) are married spouses. They are adopted adult children of Winters and Sterling. They act at the direction of, are controlled by, and are the agents, employees, partners, and/or co-conspirators of Winters and Sterling.

16. Defendant Nic Mendoza (“Mendoza”) is the agent, employee, partner and co-conspirator of the other Defendants. Mendoza acts at the direction of and is controlled by Winters and Sterling. Mendoza calls Winters “Mentor” and Winters calls him “Protégé.” Winters uses Mendoza as his actor to attempt to shield himself from responsibility.

17. Defendant Brittany Duncan (“Duncan”) is the agent, employee, partner and co-conspirator of the other Defendants. Duncan acts at the direction of and is controlled by Winters and Sterling.

18. The foregoing named Defendants all act in synchronicity, in concert and in a conspiracy with one another, and as ultimately directed and controlled by Winters and Sterling.

19. Defendants Does 1 through 25, inclusive, are sued herein by their fictitious names (collectively, "Doe Defendants"). The true names and capacities of Doe Defendants are unknown to Plaintiffs at this time. When such true names and capacities are ascertained, Plaintiffs will amend this Complaint by inserting their true names and capacities in place of the Doe identifiers. Plaintiffs are informed and believe and thereon allege that each of the fictitiously named Doe Defendants is in some way responsible for the acts and liabilities alleged herein.

20. Plaintiffs are informed and believe, and thereon allege, that at all times herein mentioned, each one of the Defendants was the agent, employee, co-conspirator, joint venturer, partner, principal, and/or servant of the other, and at all times relevant was acting within the course and scope of such relationship, with the full knowledge, consent, authority, and ratification of the others.

III.

JURISDICTION AND VENUE

21. This action is an unlimited civil action over which this Superior Court has jurisdiction because the amount in controversy exceeds $35,000.

22. Venue is proper in this Court pursuant to California Code of Civil Procedure section 395 because Santa Barbara County is the place where (a) Plaintiffs reside, (b) the parties entered into and performed under the subject relationships, circumstances and agreements, (c) the breaches occurred, (d) the tortious conduct was committed, and (e) the damage occurred and was suffered by Plaintiffs.

23. This civil action is related to certain petitions filed by Plaintiffs in the Santa Barbara Superior Court, Probate Division seeking to hold one or more of the same Defendants accountable for their mismanagement and breaches as co-trustees of certain trusts benefitting the Ireland-Olsen family.

IV.

BACKGROUND

24. The parties have a 37-year history, during which Defendants have manipulated and wronged Plaintiffs. For a period spanning decades, Defendants claimed they "loved" Plaintiffs, and that Plaintiffs and Defendants were part of one big "family," in a continuing effort by Defendants to deceive Plaintiffs and to conceal the defalcations in which they were engaged.

Defendants Deceived and Defrauded Kathy

25. As of the early 1980s, Kathy had become a celebrated model, having appeared on the cover of Sports Illustrated and in other publications.

26. In 1988, Kathy married Greg.

27. In 1989, Kathy started working with Sterling and Winters as her managers.

28. At that time, there was no digital banking. Kathy's work required her to travel. Greg was working grueling shifts in the emergency room. Winters and Sterling told Plaintiffs that they would handle all of Kathy and Greg's personal and financial affairs, so that they could focus on "living their lives." Winters and Sterling induced Plaintiffs to grant them powers-of-attorney, and to give them full reign over all of their personal finances and income. Winters and Sterling took absolute control over all aspects of the financial affairs of Kathy and Greg, promising to do right by them and make them wealthy.

29. Over the years, Winters continually preached to Kathy and Greg about the great personal "wealth" he and Sterling were creating for them, and the very successful financial "investments" he and Sterling were managing for them. Kathy always believed Winters and Sterling because she trusted them. Greg also believed they were working in Kathy's and his best interests.

30. Winters and Sterling claimed they "loved" Kathy and Greg. Based on the promises made by Winters and Sterling, Kathy and Greg believed they had millions of dollars invested by Winters and Sterling and that they had extremely significant net worth. When Plaintiffs asked about their financial condition, Winters and Sterling scoffed at them, telling them they were so extremely wealthy and successful that they would never have anything to worry about. Neither Kathy nor Greg ever suspected that Winters and Sterling would go to such devious lengths to deceive them for

purposes of perpetuating their financial fraud. Only now, with the benefit of 20-20 hindsight, can they see that Winters and Sterling were employing emotional manipulation.

31. When Kathy and Greg started having children, Kathy wanted to make major changes to focus on raising her children. But Winters and Sterling encouraged her to keep working and traveling, and to hire her mother Barbara Ireland as a nanny and bring her parents and children on the road with her. In hindsight, this was a way that Winters and Sterling kept Kathy busy as their workhorse and kept her attention away from noticing their financial fraud.

32. While they worked together, Kathy did not receive a salary. Rather, Sterling and Winters arranged to pay her expenses, telling her they were investing her income for her.

33. Winters and Sterling used personal credit cards taken out in Kathy's name, charging up massive debt, and then giving Kathy the cards to use for daily costs, while Winters and Sterling paid only minimum balances on the cards. Cards in the name of Plaintiff's housekeeper Felipa Espinosa (and potentially others) were also taken out, charged, and never paid. Defendants' misuse of credit cards left very little credit balance and usable credit for the victims. As a result, Plaintiffs are left personally responsible to the credit providers to service the debt. On information and belief, Defendants used at least some of the funds obtained this way for their own benefit.

Defendants Defrauded Greg, Stealing his Money

34. Over a period of decades, Winters and Sterling took all of Greg's career earnings, including his (a) income practicing as a physician (in excess of approximately $5,000,000), and (b) income from working as a commercial fisherman (equal to or exceeding $3,222,000), totaling in excess of $8 million dollars, while leaving him with virtually no savings and almost no retirement, and instead with massive debt. They did not invest the money for him as promised, which would have earned him significant returns. Instead, they took it; and they have not accounted to Greg for the money they took.

35. Additionally, when Greg inherited approximately $400,000, Defendants took that also. Greg instructed Winters and Sterling to set aside this inheritance for a specific investment he had identified that would generate income to benefit his and Kathy's children. While Defendants agreed, they lied and spent the money, instead of investing it as directed. Defendants initially paid

back a small amount of the principal, while failing to give Greg any information in response to his questions about what happened to his money. They promised they would repay him (to induce him to forebear on legal action) but still have not done so. They still owe him approximately $369,000 in principal that they stole, plus interest. On information and belief, Defendants used these funds for their own benefit.

36. Sterling took out a $150,000 SBA loan in Greg's name, leaving him personally responsible to the SBA to service the debt. Sterling has not accounted to Greg for what he did with the funds. On information and belief, Defendants used these funds for their own benefit and they are obligated to reimburse Greg for the money he has spent servicing the loan and to repay the full amount of the loan to the SBA.

Defendants Stole from Kathy's Mother, Barbara

37. Winters and Sterling also took $60,000 from Kathy's mother, Barbara Ireland. While they promised to pay back Barbara, they have failed to do so. On information and belief, Defendants used these funds for their own benefit. They owe Barbara a return of the principal plus interest.

38. In short, Defendants treated Plaintiffs as their work horses and piggy banks, all the while scheming to fund their own life style, while hanging the Ireland-Olsen family out to dry.

39. In sum, Defendants failed to create wealth and make investments for Kathy and Greg, as they had always promised and represented. Defendants substantially harmed Plaintiffs by, among other things and without limitation, failing to provide the claimed wealth and investments that Defendants promised and represented existed; misusing Plaintiffs' property and money, including for Defendants' own benefit; failing to repay funds they took despite promises to the contrary; depriving Plaintiffs of the income and accumulation that would have arisen from prudent management and investment of Plaintiffs' property; inducing Plaintiffs to make expenditures that they would not have made if they knew the true facts; engaging in self-dealing to Plaintiffs' detriment; accumulating unauthorized debt in Plaintiffs' name for Defendants' benefit; impairing Plaintiffs' credit; causing Plaintiffs to have to sell their longtime family home; robbing Plaintiffs of their planned savings, investments and retirement for which they worked hard for many years; and causing Plaintiffs emotional distress and financial harm.

40. It was only recently that Plaintiffs initiated efforts to disentangle themselves from Defendants; and even now, they still do not know the full extent of the wrongful and tortious nature of Defendants' actions, because Defendants have and continue to actively conceal the true facts from Plaintiffs, both by making false representations about Plaintiffs' finances to Plaintiffs and by manipulating Plaintiffs' trust and close relationship with Defendants.

41. Defendants' wrongful conduct is still ongoing, representing a continuing tort against and harm to Plaintiffs. To this day, Defendants continue to deprive Plaintiffs of information and conceal Defendants' fraud, misconduct, and losses from Plaintiff, as well as persist in personally attacking Plaintiffs. Plaintiffs are therefore entitled, if necessary and without conceding anything, to the benefits of the doctrines of discovery and continuing tort with respect to any statute of limitations.

42. Defendants engaged in other wrongful acts as well. For instance, Winters and Sterling acted as trustees of a trust holding title to the Ireland-Olsen family home. They took out a refinance loan against the home, taking the proceeds but leaving Kathy and Greg with the debt. Kathy always told Winters and Sterling she wanted the mortgage paid off. Winters and Sterling responded with incompetent and erroneous advice, in breach of their duties, advising Kathy and Greg it was favorable for them to maintain a mortgage for tax planning purposes. Recently, Kathy and Greg had to sell their home unable to afford it when the mortgage should have been fully paid had Winters and Sterling properly managed the asset and listened to Kathy's direction.

43. Additionally, Winters and Sterling acted as trustees for a trust holding life insurance policies, bragging about Sterling's management acumen in recommending purchase of certain whole life insurance policies and that they would bring great wealth to the family. In fact, Sterling did not pay the premiums, took loans against the policies and has failed to account for or pay back the funds, leaving Kathy and Greg with staggering liability on the policies. Winters and Sterling never told Kathy and Greg what they were doing, or that they were creating huge debt and adverse tax implications for them. As a result of their deception and incompetence, and accruing massive loans against each of the policies, Winters and Sterling left Kathy and Greg in the untenable position of being unable to maintain the policies and unable to surrender them due to the staggering tax liabilities that would result.

44. Based on information and belief, Plaintiffs believe that the Defendants are liable to Plaintiffs for damages in the tens of millions of dollars, if not exceeding $100 million, subject to proof at trial. Defendants continue to withhold the funds they took from and owe to Plaintiffs.

Conspiracy by the Defendants Winters, Sterling and their Acolytes

45. Defendants all engaged in a conspiracy to harm to Plaintiffs through the wrongful acts described herein and they are thereby each liable to Plaintiffs individually for the acts of all other Defendants. All of the Defendants have acted together with Winters and Sterling to commit defalcations, divert funds and conceal the true facts from Plaintiffs. Winters and Sterling act as the master puppeteers, dictating and manipulating the actions of the other Defendants.

46. Defendants formed among and between themselves a conspiracy to engage in the breaches of duties and other wrongful acts described herein and to induce Plaintiffs to continue to rely on Defendants and entrust all of their personal finances to Winters and Sterling. Defendants all together formed and operated the conspiracy and engaged in conduct in furtherance of the conspiracy, all the while knowing they were diverting and dissipating Plaintiffs' money and harming them, while not creating any wealth or making any investments for Plaintiffs. Defendants all agreed to obfuscate and distract Plaintiffs, mislead them and conceal the truth from them for Defendants' own benefit as legal family members and as business agents and co-venturers. Defendants are therefore each individually liable to Plaintiffs for the wrongful acts of every other Defendant.

47. There is an abundance of law in California supporting the joint and several liability of all Defendants for conspiracy. Conspiracy is a form of vicarious liability by which one defendant can be held liable for the acts of another. A conspiracy requires evidence that each member of the conspiracy acted in concert and came to a mutual understanding to accomplish a common and unlawful plan, and that one or more of them committed an overt act to further it. Conspiracy provides a remedial measure for affixing liability to all who have agreed to a common design to commit a wrong when damage to the plaintiff results. See *IIG Wireless, Inc. v. Yi* (2018) 22 Cal.App.5th 630, 652. A conspiracy may be inferred from circumstances, including the nature of the acts done, the relationships between the parties, and the interests of the alleged coconspirators.

Plaintiffs are not required to prove that each Defendant himself or herself personally committed a wrongful act or that he or she knew all the details of the agreement or the identities of all of the other participants. See CACI 3600.

48. Conspiracy is a legal doctrine that imposes liability on persons who, although not actually committing a tort themselves, share with the immediate tortfeasors a common plan or design in its perpetration. By participating in a civil conspiracy, a coconspirator effectively adopts as his or her own torts of other conspirators within the ambit of the conspiracy. In his way, a conspirator incurs tort liability co-equal with the immediate tortfeasors. The major significance of the conspiracy lies in the fact that it renders each participant in the meaningful act responsible as a joint tortfeasor for all damages ensuing from the wrong, irrespective of whether or not he was a direct actor and regardless of the degree of his activity. See *Allied Equipment Corp. v. Litton Saudi Arabia Ltd.* (1994) 7 Cal.4th 503, 510-511. As long as two or more persons agree to perform a wrongful act, the law places civil liability for the resulting damage on all of them, regardless of whether they actually commit the tort themselves. The effect of charging conspiratorial conduct is to implicate all who agree to the plan to commit the wrong as well as those who actually carry it out. See *Wyatt v. Union Mortgage Co.* (1979) 24 Cal.3d 773, 784.

49. Here, there was a conspiracy formed among and between the Defendants to engage in the breaches of tort duties to induce Plaintiffs to continue to rely on them and entrust all of their personal finances to Winters and Sterling, believing they were growing their wealth and investing their money. They all together formed and operated the conspiracy and engaged in conduct in furtherance of the conspiracy, all the while knowing they were diverting and dissipating Plaintiffs' money and not creating any wealth or making any investments for Plaintiffs. They all expressly or impliedly agreed to work together to obfuscate and distract Plaintiffs, mislead them and conceal the truth from them. The conspiracy can be seen from the overt facts detailed herein and it inferred from the circumstances, including from the nature of the acts alleged herein and the relationships between the parties. To the present day, Defendants continue to act together in an orchestrated manner to attack Plaintiffs in public, including on social media.

FIRST CAUSE OF ACTION

BREACH OF FIDUCIARY DUTY

BY PLAINTIFFS KATHY AND GREG AGAINST ALL DEFENDANTS

50. Plaintiff incorporate by reference each and every allegation contained in the preceding paragraphs, as though fully set forth herein.

51. As personal and financial managers and agents and persons acting under powers of attorney, and persons to whom finances and personal funds were entrusted, Winters and Sterling were in an agency and a special and confidential relationship with Plaintiffs under which they owed fiduciary duties. This fiduciary duty imposed on Winters and Sterling the duty to act with the utmost good faith in the best interests of Plaintiffs.

52. Defendants Winters and Sterling knowingly acted against Plaintiffs' interests and/or acted on behalf of one or more parties whose interests were adverse to Plaintiffs in connection with the matters alleged herein.

53. Plaintiffs did not provide informed consent for Defendants Winters and Sterling's conduct. Alternatively, Defendants Winters and Sterling failed to act as reasonable agents and/or fiduciaries would have in under similar circumstances.

54. The breaches of fiduciary duty by Defendants proximately caused harm to Plaintiffs, including as set forth above.

55. As alleged above, all Defendants engaged in a conspiracy to falsely induce Plaintiffs to continue to entrust them with their finances and wrongfully use Plaintiffs' money for Defendants' own benefit. Accordingly, all Defendants are jointly and severally liable to Plaintiffs.

56. Plaintiffs are entitled to recover damages from Defendants according to proof at trial, along with pre-and post-judgment interest.

57. Alternatively, and without prejudice to Plaintiffs' rights for damages, Plaintiffs are entitled to equitable remedies, including disgorgement, according to proof at trial, along with pre- and post-judgment interest.

58. Defendants acted with oppression, fraud, and malice within the meaning of Civil Code section 3294. Accordingly, Plaintiffs are entitled to recover punitive damages for the sake of example and by way of punishing Defendants.

59. As to the harms committed against and withholding of funds owed to Plaintiff Greg, he is entitled to recover treble damages pursuant to Civil Code section 3345.

SECOND CAUSE OF ACTION

CONSTRUCTIVE FRAUD

BY PLAINTIFFS KATHY AND GREG AGAINST ALL DEFENDANTS

60. Plaintiffs incorporate by reference each and every allegation contained in the preceding paragraphs, as though fully set forth herein.

61. As personal and financial managers and agents and persons acting under powers of attorney, and persons to whom funds were entrusted, Winters and Sterling were in an agency and a special and confidential relationship with Plaintiffs under which they owed fiduciary duties. This fiduciary duty imposed on Winters and Sterling the duty to act with the utmost good faith in the best interests of Plaintiffs.

62. Defendants Winters and Sterling provided false information to Plaintiffs, claiming they were properly managing Plaintiffs' personal financial assets, making valuable investments for Plaintiffs, and making Plaintiffs extremely wealthy people who had significant assets for their retirement and to pass on to their children.

63. As alleged above, all Defendants engaged in a conspiracy to falsely induce Plaintiffs to continue to entrust them with their finances and wrongfully use Plaintiffs' money for Defendants' own benefit. Accordingly, all Defendants are jointly and severally liable to Plaintiffs.

64. Defendants all conspired to conceal from Plaintiffs the true extent to which they had diverted and wasted Plaintiffs' funds without making the promised investments or creating the promised wealth, while also concealing the nature of the debts created for Plaintiffs.

65. Defendants failed to disclose the true facts regarding Defendants' defalcations and mismanagement of Plaintiffs' personal financial assets, investments, and wealth, and the value and performance of the same.

66. Defendants knew or should have known the true facts regarding Defendants' management of Plaintiffs' personal financial assets, investments, and wealth, and the value and performance of the same.

67. Defendants misled Plaintiffs by providing this false information and failing to disclose this true information.

68. Defendants' conduct constituted constructive fraud under Civil Code section 1573.

69. Defendant' acts and omissions were a substantial factor in causing harm to Plaintiffs.

70. Plaintiffs are entitled to recover damages from Defendants according to proof at trial, along with pre-and post-judgment interest.

71. Defendants acted with oppression, fraud, and malice within the meaning of Civil Code section 3294. Accordingly, Plaintiffs are entitled to recover punitive damages for the sake of example and by way of punishing Defendants.

THIRD CAUSE OF ACTION

FINANCIAL ELDER ABUSE

BY PLAINTIFF GREG AGAINST ALL DEFENDANTS

72. Plaintiffs incorporate by reference each and every allegation contained in the preceding paragraphs, as though fully set forth herein.

73. Pursuant to Welfare and Institutions Code section 15610.27, an "elder" is any person residing in the State of California who is more than 65 years of age. Plaintiff Greg Olsen is an "elder" as defined by Welfare and Institutions Code § 15610.27, in that he is over the age of 65 years and resides in the state of California.

74. Pursuant to Welfare and Institutions Code section 15610.30(a), financial abuse occurs when a person or entity "[t]akes, secretes, appropriates, obtains, or retains real or personal property of an elder ... for a wrongful use or with intent to defraud, or both," or "by undue influence, as defined in Section 15610.70." A wrongful use occurs when the defendant "knew or should have known that [its] conduct is likely to be harmful to the elder." (Welf. & Inst. Code, § 15610.30(b).) A defendant is deemed to have engaged in conduct violating the Act when an elder is "deprived of any

property right … regardless of whether the property is held directly or by a representative of an elder." (Welf. & Inst. Code, § 15610.30(c).)

75. Defendants' actions alleged above with respect to Greg Olsen violate the above-cited provisions of Welfare and Institutions Code section 15610.30. Defendants continue to withhold the funds presently due and owing to Greg.

76. As alleged above, all Defendants engaged in a conspiracy to falsely induce Plaintiffs, including Greg Olsen, to continue to entrust them with their finances and wrongfully use Plaintiffs' money for Defendants' own benefit. Accordingly, all Defendants are jointly and severally liable to Plaintiffs for the acts of each other Defendant.

77. Defendants took, secreted, appropriated, obtained, or retained the property of Plaintiff Greg Olsen for wrongful use with intent to defraud and by undue influence, within the meaning of Welfare and Institutions Code section 15610.30(a). As alleged above, the principal amounts taken by Defendants from or in the name of Plaintiff Greg Olsen alone exceed $8 million.

78. Defendants knew or should have known their conduct was likely to be harmful to an elder, i.e., Plaintiff Greg Olsen.

79. Defendants' conduct is a substantial factor in causing harm to Plaintiff Greg Olsen.

80. As a proximate result of Defendant's conduct, Plaintiff Greg Olsen suffered financial loss and emotional distress.

81. Pursuant to Welfare and Institutions Code section 15657.5, Plaintiff Greg Olsen is entitled to recover compensatory damages, attorneys' fees, and costs.

82. Defendants' conduct was malicious, oppressive, and fraudulent. Plaintiff Greg Olsen is entitled to exemplary damages pursuant to California Civil Code section 3294 and Welfare and Institutions Code section 15657.5(b).

83. Plaintiff Greg Olsen is entitled to treble damages under Civil Code section 3345.

84. Plaintiff Greg Olsen is entitled to recover pre- and post-judgment interest.

85. Plaintiff Greg Olsen is entitled to recover monetary damages according to proof at trial, along with interest and attorney's fees and costs.

FOURTH CAUSE OF ACTION

FINANCIAL ELDER ABUSE

BY PLAINTIFF BARBARA AGAINST ALL DEFENDANTS

86. Plaintiffs incorporate by reference each and every allegation contained in the preceding paragraphs, as though fully set forth herein.

87. Pursuant to Welfare and Institutions Code § 15610.27, an "elder" is any person residing in the State of California who is more than 65 years of age. Plaintiff Barbara Ireland is an "elder" as defined by Welfare and Institutions Code § 15610.27, in that she is over the age of 65 years and resides in the state of California.

88. Pursuant to Welfare and Institutions Code § 15610.30(a), financial abuse occurs when a person or entity "[t]akes, secrets, appropriates, obtains, or retains real or personal property of an elder ... for a wrongful use or with intent to defraud, or both," or "by undue influence, as defined in Section 15610.70." A wrongful use occurs when the defendant "knew or should have known that [its] conduct is likely to be harmful to the elder." (Welf. & Inst. Code, § 15610.30(b).) A defendant is deemed to have engaged in conduct violating the Act "when an elder is "deprived of any property right … regardless of whether the property is held directly or by a representative of an elder." (Welf. & Inst. Code, § 15610.30(c).)

89. Defendants' actions alleged above with respect to Barbara violate the above-cited provisions of Welfare and Institutions Code section 15610.30. Defendants continue to withhold the funds presently due and owing to Barbara.

90. As alleged above, all Defendants engaged in a conspiracy to falsely induce Plaintiffs, including Barbara, to give them money, including $60,000 given from Barbara, and wrongfully use Plaintiffs' money for Defendants' own benefit. Accordingly, all Defendants are jointly and severally liable to Plaintiffs for the acts of each other Defendant.

91. Defendants took, secreted, appropriated, obtained, or retained the property of Plaintiff Barbara Ireland for wrongful use with intent to defraud and by undue influence, within the meaning of Welfare and Institutions Code section 15610.30(a).

92. Defendants knew or should have known their conduct was likely to be harmful to an elder, i.e., Plaintiff Barbara Ireland.

93. Defendants' conduct is a substantial factor in causing harm to Plaintiff Barbara Ireland.

94. As a proximate result of Defendant's conduct, Plaintiff Barbara Ireland has suffered financial loss and emotional distress.

95. Pursuant to Welfare and Institutions Code section 15657.5, Plaintiff Barbara Ireland is entitled to recover compensatory damages, attorneys' fees, and costs.

96. Defendants' conduct was malicious, oppressive, and fraudulent. Plaintiff Barbara Ireland is entitled to exemplary damages pursuant to California Civil Code section 3294 and Welfare and Institutions Code section 15657.5(b).

97. Plaintiff Barbara Ireland is entitled to treble damages under Civil Code section 3345.

98. Plaintiff Barbara Ireland is entitled to pre- and post-judgment interest.

99. Plaintiff Barbara Ireland is entitled to recover monetary damages according to proof at trial, along with interest and attorney's fees and costs.

FIFTH CAUSE OF ACTION

NEGLIGENCE

BY PLAINTIFFS KATHY AND GREG AGAINST ALL DEFENDANTS

100. Plaintiffs incorporate by reference each and every allegation contained in the preceding paragraphs, as though fully set forth herein.

101. In connection with the relationships described above, Defendants owed Plaintiffs a duty of due care.

102. Through the acts alleged above, Defendants breached their duty of due care to Plaintiffs. Additionally, and in the alternative, Defendants breached their duty of care to Plaintiffs by failing to prevent and/or discover the harmful acts of other Defendants.

103. Defendants' breaches of duty were a substantial factor in causing Plaintiffs harm.

104. As alleged above, all Defendants engaged in a conspiracy to falsely induce Plaintiffs to continue to entrust them with their finances and wrongfully use Plaintiffs' money for Defendants'

own benefit. Accordingly, all Defendants are jointly and severally liable to Plaintiffs for each other Defendant's acts.

105. Plaintiffs are entitled to recover monetary damages according to proof at trial, along with pre- and post-judgment interest.

106. Defendants acted with oppression, fraud, and malice within the meaning of Civil Code section 3294. Accordingly, Plaintiffs are entitled to recover punitive damages for the sake of example and by way of punishing Defendants.

107. As to the harms committed against and withholding of funds owed to Plaintiff Greg, he is entitled to recover treble damages pursuant to Civil Code section 3345.

<u>SIXTH CAUSE OF ACTION</u>

BREACH OF IMPLIED CONTRACT

BY PLAINTIFFS AGAINST WINTERS AND STERLING

108. Plaintiffs incorporate by reference each and every allegation contained in the preceding paragraphs, as though fully set forth herein.

109. Plaintiffs Kathy and Greg and Defendants Winters and Sterling entered into an implied contract for Defendants Winters and Sterling to act with appropriate care and competence as their personal managers and agents and in connection with the powers-of-attorney. Defendants promised to invest the Plaintiffs' income and earnings on their behalf. Defendants promised to repay the Plaintiffs amounts they took from them, including Greg's inheritance and the amount of the SBA loan.

110. Plaintiff Barbara and Defendants Winters and Sterling entered into an implied contract for Defendants Winter and Sterling to repay the $60,000 that they took from Barbara.

111. In engaging in the acts alleged herein, Defendants Winters and Sterling breached said duties, and therefore the implied contracts, because they did not competently or appropriately handle Plaintiffs' financial affairs, create wealth, or make investments for Plaintiffs. Nor were Defendants Winters and Sterling licensed to provide such services. Moreover, they failed to pay back Greg for his inheritance they took and for the SBA loan they took out in his name.

Additionally, Defendants breached their implied contract with Barbara by taking her money and failing to repay her.

112. To the contrary, Defendants Winters and Sterling diverted Plaintiffs' funds, wasted their assets, and failed to make investments, causing significant harm to Plaintiffs.

113. Plaintiffs have suffered and will continue to suffer damages as a result of Defendants Winters and Sterling's conduct in an amount to be proven at trial.

114. Plaintiffs are entitled to equitable remedies, including disgorgement and injunctive relief.

115. As to the harms committed against and withholding of funds owed to Plaintiffs Greg and Barbara, they each are entitled to recover treble damages pursuant to Civil Code section 3345.

116. Plaintiffs are entitled to recover pre- and post-judgment interest.

SEVENTH CAUSE OF ACTION

BREACH OF IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING

BY PLAINTIFFS AGAINST WINTERS AND STERLING

117. Plaintiffs incorporate by reference each and every allegation contained in the preceding paragraphs, as though fully set forth herein.

118. California law implies a covenant of good faith and fair dealing into every contract entered into in California.

119. Defendants Winters and Sterling have breached their implied covenant of good faith and fair dealing based on the allegations set forth above, including with respect to their express and/or implied contracts to serve as the personal managers and agents of Plaintiffs and to pay back Greg for the money they took from him and the loan they took in his name, and to pay back Barbara for the money they took from her.

120. Plaintiffs have suffered and will continue to suffer damages as a result of Defendants' breaches.

121. Plaintiffs are entitled to recovery monetary damages according to proof at trial, along with pre- and post-judgment interest.

122. As to the harms committed against and withholding of funds owed to Plaintiffs Greg and Barbara, they each are entitled to recover treble damages pursuant to Civil Code section 3345.

<u>EIGHTH CAUSE OF ACTION</u>

INTENTIONAL MISREPRESENTATION

BY PLAINTIFFS KATHY AND GREG AGAINST DEFENDANTS

123. Plaintiffs incorporate by reference each and every allegation contained in the preceding paragraphs, as though fully set forth herein.

124. Winters, acting for himself and on behalf of his partner Sterling, made intentional misrepresentations to Plaintiffs. Specifically, on many occasions over a period of decades, which are too numerous to specifically recount herein, Winters made affirmative representations to Plaintiffs to the effect that Plaintiffs had great personal wealth as a result of Defendants' management of their affairs, and that Plaintiffs had significant investments and retirement savings created for them by Defendants. This was repeated continually by Winters in oral statements that he made that are too numerous to recount, over and over, to Plaintiffs Kathy and Greg over a period of decades. Even more recently, when Kathy and Greg asked to access their investments to make a loan to their son for a downpayment on a home, Winters lied and said that they had vast financial investments but that he simply needed advance notice to liquidate them because of the complexity and nature of the holdings that he and Sterling had arranged for them. All of the other Defendants went along with these lies, facilitating the fraud by Winters and Sterling.

125. In fact, such representations were false at the time they were made. Winters knew the representations were false when he made them. He continued to make them to and to conceal the true facts in order to cover up and hide the fraud being perpetrated by him and Sterling.

126. When Winters made the misrepresentations, Plaintiffs were not aware that Winters' representations were false. Rather, they had been induced to trust Winters and Sterling. For that reason, their reliance was reasonable.

127. Winters and Sterling, working in concert, intended for Plaintiffs to rely on his false representations, and Plaintiffs did rely on those false representations to Plaintiffs' detriment, including, but not limited to, by continuing to trust Defendants with Plaintiffs' financial

management, not terminating Defendants' involvement with Plaintiffs' finances, not making other diversified investments, and making expenditures they would not otherwise have made.

128. Winters' misrepresentations were a substantial factor causing significant financial harm and emotional distress to Plaintiffs.

129. As alleged above, all Defendants engaged in a conspiracy to falsely induce Plaintiffs to continue to entrust them with their finances and wrongfully use Plaintiffs' money for Defendants' own benefit. Accordingly, all Defendants are jointly and severally liable to Plaintiffs for each other Defendant's actions.

130. Plaintiffs are entitled to recover money damages according to proof at trial, along with pre- and post-judgment interest.

131. Defendants acted with oppression, fraud, and malice within the meaning of Civil Code section 3294. Accordingly, Plaintiffs are entitled to recover punitive damages for the sake of example and by way of punishing Defendants.

132. As to the harms committed against and withholding of funds owed to Plaintiff Greg, he is entitled to recover treble damages pursuant to Civil Code section 3345.

<u>NINTH CAUSE OF ACTION</u>

CONCEALMENT

BY PLAINTIFFS KATHY AND GREG AGAINST ALL DEFENDANTS

133. Plaintiffs incorporate by reference each and every allegation contained in the preceding paragraphs, as though fully set forth herein.

134. As powers of attorney, managers and fiduciaries, and persons who were entrusted with the funds of Plaintiffs, Defendants had a duty to disclose information about, without limitation, their management of and the state of Plaintiffs' personal finances, investments, wealth, and other matters falling within the scope of Defendants' representation of Plaintiffs as alleged herein, because, without limitation, Defendants had fiduciary duties to Plaintiffs, made prior representations to Plaintiffs that were deceptive without the disclosure of additional information, had exclusive access to information that Plaintiffs could not have discovered, and prevented Plaintiffs from discovering certain information.

135. Despite having a duty to disclose the information to Plaintiffs, Defendants intentionally concealed from Plaintiffs that Defendants had failed to competently manage Plaintiffs' personal finances, failed to create wealth for Plaintiffs, and failed to make investments for them. Defendants concealed from Plaintiffs the financial ruin that Defendants caused and the debt they left for Plaintiffs.

136. Plaintiffs were not aware of the true information that Defendants concealed.

137. Defendants concealed the information with the intent to deceive Plaintiffs and with the intent that Plaintiffs would rely on the lack of true information.

138. If Defendants had disclosed the true facts to Plaintiffs, Plaintiffs would have acted differently, including by, for example and without limitation, terminating their relationship with Defendants, terminating Defendants' involvement with Plaintiffs' finances, making Plaintiffs' own diversified investments, and not making certain expenditures. Defendants' concealment caused Plaintiffs financial harm and emotional distress.

139. As alleged above, all Defendants engaged in a conspiracy to falsely induce Plaintiffs to continue to entrust them with their finances and wrongfully use Plaintiffs' money for Defendants' own benefit. Accordingly, all Defendants are jointly and severally liable to Plaintiffs for each other Defendant's actions.

140. Defendants acted with oppression, fraud, and malice within the meaning of Civil Code section 3294. Accordingly, Plaintiffs are entitled to recover punitive damages for the sake of example and by way of punishing Defendants.

141. As to the harms committed against and withholding of funds owed to Plaintiff Greg, he is entitled to recover treble damages pursuant to Civil Code section 3345.

142. Plaintiff is entitled to recovery monetary damages according to proof at trial, along with pre- and post-judgment interest and attorney's fees and costs.

TENTH CAUSE OF ACTION

CONVERSION

BY PLAINTIFFS AGAINST ALL DEFENDANTS

143. Plaintiffs incorporate by reference each and every allegation contained in the preceding paragraphs, as though fully set forth herein.

144. Defendants Winters and Sterling substantially interfered with Plaintiffs' money and property by knowingly and intentionally taking possession of Plaintiffs' money and property, preventing Plaintiffs from accessing their property, destroying Plaintiffs' money and property, and/or refusing to return specific funds and assets belonging to Plaintiffs.

145. Plaintiffs did and do not consent.

146. Plaintiffs have been harmed.

147. Defendants' conduct is a substantial factor in causing Plaintiffs' harm.

148. As alleged above, all Defendants engaged in a conspiracy to falsely induce Plaintiffs to continue to entrust them with their finances and wrongfully use Plaintiffs' money for Defendants' own benefit. Accordingly, all Defendants are jointly and severally liable to Plaintiffs for the actions of Defendants Winters and Sterling.

149. Plaintiffs are entitled to recover money damages according to proof at trial, along with pre- and post-judgment interest.

150. As to the funds withheld from Plaintiffs Greg and Barbara, they are each entitled to treble damages pursuant to Civil Code section 3345.

151. Defendants acted with oppression, fraud, and malice within the meaning of Civil Code section 3294. Accordingly, Plaintiffs are entitled to recover punitive damages for the sake of example and by way of punishing Defendants.

ELEVENTH CAUSE OF ACTION

THEFT (PENAL CODE §496)

BY PLAINTIFFS AGAINST ALL DEFENDANTS

152. Plaintiff incorporates by reference each and every allegation contained in the preceding paragraphs, as though fully set forth herein.

153. Defendants' conduct alleged herein, including but not limited to fraudulently appropriating Plaintiffs' property that was entrusted to Defendants and/or knowingly and designedly by false representations and pretense defrauding Plaintiffs of their money and property, constituted theft.

154. Under Penal Code section 496, every person who receives any property that has been stolen or that has been obtained in any manner constituting theft or extortion, knowing the property to be so stolen or obtained, or who conceals, sells, withholds, or aids in concealing, selling, or withholding any property from the owner, knowing the property to be so stolen or obtained, is not only subject to the statutory penalties set forth therein but also liable for three times the amount of actual damages sustained by Plaintiffs, costs of suit, and reasonable attorney's fees.

155. In doing the acts alleged herein, Defendants have violated Penal Code section 496.

156. As alleged above, all Defendants engaged in a conspiracy to falsely induce Plaintiffs to continue to entrust them with their finances and wrongfully use Plaintiffs' money for Defendants' own benefit. Defendants, acting in concert with one another, are in receipt of and have benefitted from the funds taken from Plaintiffs. Accordingly, all Defendants are jointly and severally liable to Plaintiffs for the actions of each other Defendant.

157. As to funds taken and being withheld from Plaintiffs Greg and Barbara, they are each entitled to treble damages pursuant to Civil Code section 3345.

158. Plaintiffs are entitled to recover treble damages against Defendants according to proof at trial, along with pre- and post-judgment interest, and reasonable attorney's fees and costs, pursuant to Penal Code section 496, subpart (c).

<u>TWELFTH CAUSE OF ACTION</u>

ACCOUNTING AND SURCHARGE

BY PLAINTIFFS AGAINST ALL DEFENDANTS

159. Plaintiffs incorporate by reference each and every allegation contained in the preceding paragraphs, as though fully set forth herein.

160. Plaintiffs and Defendants Winters and Sterling were in a relationship (as fiduciaries entrusted with funds, as personal managers and as powers of attorney) requiring an accounting by

Defendants to Plaintiffs, and there is a balance due and owing by Defendants to Plaintiffs that can only be ascertained with an accounting. The other defendants acted in concert with Winters and Sterling in a conspiracy.

161. Accordingly, Plaintiffs are entitled to an accounting from Defendants and for a surcharge of all amounts for which Defendants cannot account.

THIRTEENTH CAUSE OF ACTION

COMMON COUNT

BY PLAINTIFFS AGAINST ALL DEFENDANTS

162. Plaintiffs incorporate by reference each and every allegation contained in the preceding paragraphs, as though fully set forth herein.

163. Defendants have taken and/or are in possession of money owed to Plaintiffs. Defendants are indebted to Plaintiffs for the principal amounts taken, interest, and/or the reasonable value of services and benefits provided by Plaintiffs to Defendants.

164. Defendants have failed to tender payment to Plaintiffs.

165. Accordingly, Plaintiffs are entitled to an award against Defendants in an amount to be proved at trial.

FOURTEENTH CAUSE OF ACTION

UNFAIR BUSINESS PRACTICES

AGAINST ALL DEFENDANTS

166. Plaintiffs incorporate by reference each and every allegation contained in the preceding paragraphs, as though fully set forth herein.

167. The Unfair Business Practices Act prohibits any "unlawful, unfair or fraudulent business act or practice and unfair, deceptive or misleading advertising." (Cal. Bus. & Prof. Code §17200.)

168. The conduct of Defendants alleged herein, including in acting as personal financial managers and agents without the proper licenses, and in so egregiously violating the fiduciary duties owed in the confidential special relationships that existed and under the powers-of-attorney that were granted, violates the provisions of the Unfair Business Practices Act because it is unlawful,

unfair, and fraudulent. Defendants on the one hand seek to harm Plaintiffs in their financial and business pursuits following their disentanglement from the Defendants, while on the other hand bragging that their actions are resulting in the impressive growth of their alternative, competing businesses.

169. As a result of the conduct of Defendants, Plaintiffs are entitled to restitution and disgorgement of all of the benefits improperly obtained by Defendants, as well as ancillary equitable and injunctive relief, as appropriate, according to proof.

PRAYER FOR RELIEF

Plaintiffs requests that the Court enter judgment in their favor and against Defendants, including for the following forms of relief:

1. Damages according to proof at trial as applicable, believed to be up to or exceeding $100 million;

2. Exemplary and statutory enhanced damages as applicable under Civil Code section 3345, Civil Code section 3294, Penal Code section 496, and otherwise;

3. Restitution and disgorgement;

4. Constructive trust;

5. Ancillary equitable and injunctive relief according to proof;

6. Pre- and post-judgment interest;

7. Attorney's fees as permissible under Welfare and Institutions Code section 15657.5, Penal Code section 496, and otherwise;

8. Costs of suit; and

9. Such other relief as may be fair, just, and equitable.

Dated: March 3, 2026

Mullen & Henzell L.L.P.

By: [signature]
Jared M. Katz
Attorneys for Plaintiffs Kathleen M. Ireland, Gregory P. Olsen, M.D. and Barbara Ireland

DEMAND FOR JURY TRIAL

Plaintiffs hereby demand a trial by jury.

Dated: March 3, 2026

Mullen & Henzell L.L.P.

By: ______________________________
Jared M. Katz
Attorneys for Plaintiffs Kathleen M. Ireland, Gregory P. Olsen, M.D. and Barbara Ireland

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Attorneys for Petitioners
Kathleen M. Ireland and Gregory P. Olsen, M.D., Trustors, Beneficiaries and Successor Co-Trustees

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SANTA BARBARA—ANACAPA DIVISION

In the Matter of PETER MAINSTAIN 1992 TRUST #1 DATED MAY 28, 1992, AS AMENDED	Case No. **PETITION AGAINST FORMER CO-TRUSTEES JASON WINTERS AND ERIK STERLING FOR:** **1. ACCOUNTING AND SURCHARGE;** **2. BREACH OF TRUST/FIDUCIARY DUTY AND SURCHARGE;** **3. RECOVERY OF TRUST FUNDS, DAMAGES AND FEES UNDER PROBATE CODE §§ 850, ET SEQ.** **4. FINANCIAL ELDER ABUSE** Date: Time: Dept: Judge:

Petitioners Kathleen M. Ireland ("Kathy") and Gregory P. Olsen, M.D. ("Greg"), Trustors, Beneficiaries, and Successor Co-Trustees of the Peter Maintain 1992 Trust #1 Dated May 28, 1992, As Amended (the "Trust"), hereby petition the Court as follows:

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I. INTRODUCTION

1. This Petition concerns serious breaches of trust and defalcations committed by individuals who, for more than three decades, occupied positions of profound confidence and control over Petitioner's financial affairs. While a separately filed civil action addresses a broader scheme of mismanagement, concealment, and diversion of assets carried out over many years, this proceeding focuses specifically on Respondents' misconduct in their roles as Trustees of the instant Trust. Entrusted with safeguarding substantial trust assets for the benefit of Petitioner and her family, Respondents instead engaged in conduct inconsistent with the most basic fiduciary obligations imposed by California law. Through self-dealing, unauthorized encumbrances, and failure to account, they depleted and imperiled trust property.

2. This is an action for an accounting, to address breaches of trust and fiduciary duty and for surcharges, and based on the mishandling and the intentional wrongful taking of trust funds and property, by Respondents Jason Winters and Erik Sterling (together, "Respondents"). Petitioners now seek a full accounting, surcharge, restoration of trust assets, and all statutory remedies available under the Probate Code.

II. BACKGROUND ALLEGATIONS

Creation of the Trust

3. On or about May 28, 1992, Kathleen M. Ireland and Gregory P. Olsen, as Trustors, and Peter Mainstain, as initial Trustee, executed the Peter Mainstain 1992 Trust No. 1, a copy of which is attached hereto as Exhibit A.

4. The primary trust asset was the residential property located at 815 Hot Springs Road, Santa Barbara, California 93108 (the "Property"). This was the family home where Kathy, Greg and their children lived.

5. Initially, Kathleen M. Ireland and Gregory P. Olsen, husband and wife, acquired the Property as community property on or about February 25, 1994.

6. On or about March 18, 1997, Kathleen M. Ireland and Gregory P. Olsen transferred the Property into the Trust by the Trust Transfer Deed recorded on March 19, 1997, as Instrument No. 97-014739. A copy of the Trust Transfer Deed is attached hereto as Exhibit B.

The Co-Trustees as Fiduciaries

7. On June 28, 2016, Peter Mainstain resigned as Trustee of the Trust.

8. Pursuant to Article Nine of the Trust, Respondents were designated to serve as successor Co-Trustees, and they consented to serve in that capacity on or about July 22, 2016.

9. As Co-Trustees, Respondents Erik Sterling and Jason Winters were responsible for the administration of the trust and protection of the trust property and the settlors and beneficiaries. In addition to being co-Trustees, Erik Sterling and Jason Winters also were the managers, powers of attorney and fiduciaries of Kathy and Greg. In such capacities, among other things, Erik Sterling and Jason Winters handled and controlled all of the personal finances of Kathleen M. Ireland and Gregory P. Olsen. In these capacities as well, Respondents owed additional fiduciary duties in addition to the fiduciary duties owed as Co-Trustees.

10. Petitioners relied in good faith on Respondents to act in the best interests of the Trust and of the beneficiaries, settlors, and co-trustees, consistent with their fiduciary duties and representations that they were doing so. As fiduciaries, Respondents owed Petitioners the utmost duties of good faith, loyalty, care and confidence. For instance, among other things, Respondents owe duties to handle the trust assets with care and competence; to be impartial and avoid conflicts of interest; to protect the assets and keep trust property separate from their own; to keep Petitioners informed, maintain books and records; to provide accurate reports on financial transactions; and to follow the provisions of the trust instrument and the duties imposed under California law.

11. Respondents failed in their duties, however, as set forth herein.

The $4.55 Million Loan Taken by Respondents

12. Over the years, there were certain mortgage or refinance loans taken out, including by Respondents, that were secured by the Property, as reflected in the publicly-recorded chain of title.

13. For instance, on or about December 28, 2017, Respondents arranged for a promissory note in exchange for taking a loan from Comerica Bank in the approximate amount of $4,550,000.00 (the "$4.55 Million Loan").

14. The $4.55 Million Loan was secured by a Deed of Trust recorded against the Property on or about January 3, 2018, as Document No. 2018-0000187, in the Official Records of the County of Santa Barbara. A copy of the Deed of Trust is attached hereto as Exhibit C.

15. Upon information and belief, Respondents took some, or all, of the proceeds of the $4.55 Million Loan.

16. Kathy told the Respondents that she wanted the mortgage for the home to be paid off, so that there was no debt against the home. In breach of their duties, Respondents disregarded the instructions and erroneously told Kathy that having a mortgage against the home was of benefit and would help them with her and Greg's tax planning.

17. Additionally, from time to time, upon information and belief, separate and apart from the $4.55 Million Loan, Respondents (who do not hold real estate licenses from the California Department of Real Estate) marketed and used the Property for income-generating uses other than as a residence by Petitioners, including, without limitation, as a wedding venue for lease. Upon information and belief, Respondents took the proceeds from such uses of the Trust property.

18. On or about October 6, 2024, Respondents resigned as Co-Trustees of the Trust by Letter of Resignation, a copy of which is attached hereto as Exhibit D. Likewise, on or about the same day, Jon Corrasco and Stephen Roseberry declined to serve as successor co-trustees. (See Exhibit E, hereto.)

19. Subsequently, on October 6, 2024, and October 7, 2024, Petitioners appointed themselves as successor Trustees of the Trust. A copy of such appointment is attached hereto as Exhibit E.

Respondents Failed to Respond to Petitioners' Request for An Accounting

20. On or about March 6, 2025, counsel for Petitioners wrote to counsel for Respondents, asking for an accounting of the $4.55 Million Loan proceeds, as well as any other loan proceeds or revenues and profits generated from the Property or belonging to the Trust, pursuant to Probate Code section 16062. A copy of the request is attached as Exhibit F.

21. Respondents ignored the request, however, failing to provide the requested accounting or other information concerning their administration of the Trust.

22. To date, Respondents have failed to provide an accounting for the $4.55 Million Loan as well as any other income generated by the Property.

23. Consequently, Petitioners are compelled to initiate the instant Probate Court proceeding.

III. JURISDICTION AND VENUE

24. The Trust is governed by the laws of the State of California. Under Probate Code sections 17000 and 17004, the Superior Court of California has exclusive jurisdiction over the proceedings concerning the internal affairs of the Trust and has concurrent jurisdiction of all actions and proceedings involving the Trustee and beneficiaries.

25. In accordance with the provisions of Probate Code sections 17002 and 17005(a)(2), the proper county for the commencement of this proceeding is where the principal place of administration is located, which is where the day-to-day activities of the Trust are carried on by the Trustee.

26. Santa Barbara County, and in particular South Santa Barbara County, California, is the proper county in which to file this Petition because it is where Petitioners, who are the current Co-Trustees and who are long-time residents of Santa Barbara, currently administer the Trust. It is also where the Property is located.

IV. STATEMENT OF REQUESTED RELIEF

FIRST CLAIM FOR RELIEF FOR AN ACCOUNTING AND SURCHARGE BY RESPONDENTS WINTERS AND STERLING

27. The foregoing recitals are hereby incorporated by reference.

28. Pursuant to Probate Code section 16062, "the trustee shall account at least annually . . . and upon a change of trustee, to each beneficiary to whom income or principal is required or authorized in the trustee's discretion to be currently distributed."

29. Pursuant to Article Three of the Trust, Petitioners, as beneficiaries, had the vested interest in "the right to receive the earnings, avails and proceeds from leases and other uses and from mortgages, sales and other dispositions of the property."

30. Pursuant to Article Eight of the Trust, Petitioners also had the right to revoke the Trust, and therefore may also exercise the rights of beneficiaries of the Trust, including to request an accounting.

31. Pursuant to Article Eleven, Paragraph F of the Trust, Respondents were obligated to provide the Beneficiaries, including Petitioners, with annual statements of account.

32. Respondents were and are obligated, but have failed, to provide annual accountings for each year in which they administered the Trust as Co-Trustees, including for each year between July 16, 2016, and October 6, 2024.

33. Additionally, Respondents failed to provide the requested accounting upon their resignation and in response to the March 6, 2025 demand made upon them.

34. Consequently, Petitioners request that the Court order Respondents to provide a full and complete accounting, for each and every year in which they served as one of the trustees of the Trust, pursuant to the terms of the Trust and Probate Code section 16063.

35. Additionally, Respondents should be surcharged for any and all amounts for which they cannot duly account and demonstrate were validly used for purposes consistent with the Trust, along with interest accruing at the legal rate.

SECOND CLAIM FOR RELIEF FOR BREACH OF TRUST
AND FIDUCIARY DUTY AND FOR SURCHARGE
AGAINST RESPONDENTS WINTERS AND STERLING

36. The foregoing recitals are hereby incorporated by reference.

37. When acting as Co-Trustees, Respondents were fiduciaries obligated to act in the utmost good faith and solely in the best interests of Petitioners. Among other things, Respondents were obligated to comply with the express terms of the Trust, the implied covenant of good faith and fair dealing, California law governing trustees, and the provisions of the California Probate Code.

38. In doing the acts alleged herein, as well as others that may be learned in discovery, Respondents engaged in breaches of trust and violated their fiduciary duties and the governing provisions of California law and the California Probate Code.

39. Consequently, Petitioners are entitled to recovery monetary damages and Respondents should be surcharged as a result of said breaches, in an amount to be proved at trial, along with pre-judgment interest.

40. Upon information and belief, Respondents wrongfully took some or all of the proceeds of the $4.55 Million Dollar Loan, as well as the revenues and profits from the Property. They did not use these funds for purposes of the Trust. Moreover, Respondents concealed the amounts taken from Petitioners and/or made misrepresentations that they would repay the proceeds taken from the financing secured against the Property, and erroneously advised Petitioners as a ruse that having a mortgage was favorable for tax planning purposes. In doing so, Respondents acted for their own self-interest and not in the interests of the beneficiaries of the Trust.

41. Petitioners are entitled to recover damages against Respondents in an amount to be proven at trial.

42. Petitioner Greg is an elder over the age of 65 who is entitled to recover treble damages pursuant to Civil Code section 3345.

43. Respondents have acted with fraud, malice and oppression, and are liable for exemplary damages pursuant to Civil Code section 3294.

THIRD CLAIM FOR RELIEF FOR RECOVERY OF TRUST PROPERTY, DAMAGES, FEES AND COSTS AGAINST RESPONDENTS WINTERS AND STERLING

44. The foregoing recitals are hereby incorporated by reference.

45. Probate Code section 850 provides that a trustee or any other interested person may file a petition with the probate court where the trustee has a claim to real or personal property, title to or possession of which is held by another.

46. In doing the acts alleged above, Respondents violated Probate Code section 850 by taking property of the Trust, i.e., loan proceeds and/or revenues and profits generated from the Property, and failing to repay it to the Trust.

47. Consequently, Petitioners are entitled to recover monetary damages resulting from the conduct of Respondents, in an amount to be proved at trial, along with pre-judgment interest.

Based on present information and belief, and subject to further investigation and discovery, Petitioners allege that the amount is at least $4,550,000.

48. Pursuant to Civil Code section 3345, Plaintiff Greg is an elder who is entitled to recover treble damages.

49. Probate Code section 859 provides that when a person has in bad faith wrongfully taken, concealed, or disposed of property belonging to a trust, "the person shall be liable for twice the value of the property recovered by an action under this part." Accordingly, Petitioners seek an award of double damages against Respondents, i.e., an amount that is up to or exceeds $9,100,000.

50. In addition, under Probate Code section 859, "the person may, in the court's discretion, be liable for reasonable attorney's fees and costs." Accordingly, Petitioners seek recovery of their reasonable attorney's fees and costs incurred in bringing this action from Respondents.

FOURTH CLAIM FOR RECOVERY FOR
FINANCIAL ELDER ABUSE BY PETITIONER
GREG OLSEN AGAINST RESPONDENTS

51. Petitioners incorporate by reference each and every allegation contained in the preceding paragraphs, as though fully set forth herein.

52. Pursuant to Welfare and Institutions Code section 15610.27, an "elder" is any person residing in the State of California who is more than 65 years of age. Petitioner Greg Olsen is an "elder" as defined by Welfare and Institutions Code section 15610.27, in that he is over the age of 65 years and resides in the state of California.

53. Pursuant to Welfare and Institutions Code section 15610.30(a), financial abuse occurs when a person or entity "[t]akes, secrets, appropriates, obtains, or retains real or personal property of an elder ... for a wrongful use or with intent to defraud, or both," or "by undue influence, as defined in Section 15610.70." A wrongful use occurs when the defendant "knew or should have known that [its] conduct is likely to be harmful to the elder." (Welf. & Inst. Code, § 15610.30(b).) A defendant is deemed to have engaged in conduct violating the Act "when an elder is "deprived of

any property right … regardless of whether the property is held directly or by a representative of an elder." (Welf. & Inst. Code, § 15610.30(c).)

54. Respondents' actions alleged above with respect to Greg Olsen violate the above-cited provisions of the Welfare and Institutions Code section 15610.30. Respondents continue to withhold the funds presently due and owing to Greg.

55. As alleged above, all Respondents engaged in a conspiracy to falsely induce Petitioners, including Greg Olsen, to continue to entrust them with their finances and wrongfully use Petitioners' money for Respondents' own benefit. Accordingly, all Respondents are jointly and severally liable to Petitioners for the acts of each other Respondent.

56. Respondents took, secreted, appropriated, obtained, or retained the property of Petitioner Greg Olsen for wrongful use with intent to defraud and by undue influence, within the meaning of Welfare and Institutions Code section 15610.30(a).

57. Respondents knew or should have known their conduct was likely to be harmful to an elder, i.e., Petitioner Greg Olsen.

58. Respondents' conduct is a substantial factor in causing harm to Petitioner Greg Olsen.

59. As a proximate result of Respondent's conduct, Petitioner Greg Olsen suffered financial loss and emotional distress.

60. Pursuant to Welfare and Institutions Code section 15657.5, Petitioner Greg Olsen is entitled to recover compensatory damages, attorneys' fees, and costs.

61. Respondents' conduct was malicious, oppressive, and fraudulent. Petitioner Greg Olsen is entitled to exemplary damages pursuant to California Civil Code section 3294 and Welfare and Institutions Code section 15657.5(b).

62. Petitioner Greg Olsen is entitled to treble damages under Civil Code section 3345.

63. Plaintiff Greg Olsen is entitled to recover pre- and post-judgment interest.

64. Plaintiff Greg Olsen is entitled to recover monetary damages according to proof at trial, along with interest and attorney's fees and costs.

V. NOTICE

66. In accordance with Probate Code section 17203(a)(2), notice of the hearing on this Petition will be given to all of the following interested parties:

Name and Address	Interest in Trust
Jason Winters 56 Dartmouth Dr. Ranch Mirage, CA 92270	Former Co-Trustee
Erik Sterling 56 Dartmouth Dr. Ranch Mirage, CA 92270	Former Co-Trustee
Vince Verde Ogletree Deakins Park Tower 695 Town Center Drive Fifteenth Floor Costa Mesa, CA 92626	Attorneys for Jason Winters and Erik Sterling

67. No request for special notice has been filed in this proceeding.

68. This Petition does not relate to a charitable trust subject to the jurisdiction of the Attorney General. No notice to the Attorney General is required or given.

VI. PRAYER FOR RELIEF

Based on the foregoing, Petitioners Kathleen Ireland and Gregory P. Olsen pray for an Order of this Court as follows:

A. Finding that notice of the hearing on this Petition has been given in the manner required by law;

B. Finding that all allegations of the Petition are true;

C. Compelling Respondents Jason Winters and Erik Sterling to provide a code-compliant accounting for the entire time in which they served as Co-Trustees;

D. Monetary damage of up to if not exceeding $4,550,000, and/or in an amount to be proven at trial;

E. Double damages pursuant to Probate Code section 859 in an amount to be proven at trial;

F. Treble damages pursuant to Civil Code section 3345 in an amount to be proven at trial;

G. Punitive damages pursuant to Civil Code section 3294;

H. Pre-judgment interest at the legal rate of 10% per annum simple interest on all liquidated sums found to be due and owing from Respondents;

I. Attorney's fees and costs pursuant to Probate Code section 859, Welfare and Institutions Code section 15657.5, and as otherwise permitted by law;

J. Such other relief as is just and equitable.

Dated: March 3, 2026

Mullen & Henzell L.L.P.

By: ______________________
Jared M. Katz
Attorneys for Petitioners
Kathleen Ireland and Gregory P. Olsen, Trustors, Beneficiaries and Successor Trustees

4918-8343-9763, v. 1

VERIFICATION

I, Kathleen Ireland, declare:

I am a Petitioner in the foregoing matter. I have read the foregoing which was prepared by counsel on my behalf and I know the contents thereof. It is true of my own knowledge, except as to those matters which are alleged on information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury under the law of the State of California that the foregoing is true and correct.

Executed on 3/2/2026, 2026, at Santa Barbara, California.

Signed by:
5B7D674B4844469...
Kathleen Ireland

VERIFICATION

I, Gregory P. Olsen, declare:

I am a Petitioner in the foregoing matter. I have read the foregoing which was prepared by counsel on my behalf and I know the contents thereof. It is true of my own knowledge, except as to those matters which are alleged on information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury under the law of the State of California that the foregoing is true and correct.

Executed on 3/2/2026, 2026, at Santa Barbara, California.

Signed by:
2A38068CD4D1494...
Gregory P. Olsen

LIST OF EXHIBITS TO PETITION

Exhibit	Description
A	Trust Agreement of the Peter Mainstain 1992 Trust No. 1
B	Trust Transfer Deed
C	Deed of Trust
D	Resignation
E	Appointment of Successor Co-Trustees
F	Demand for Accounting

Exhibit A

TRUST AGREEMENT

of the

PETER MAINSTAIN 1992 TRUST NO. 1

PETER MAINSTAIN 1992 TRUST NO. 1

Greg Olsen and Kathy Ireland, as Trustors, and Peter Mainstain, as Trustee, are entering into this Trust Agreement upon the following terms.

ARTICLE ONE (EFFECTIVE DATE AND IDENTIFICATION)

The effective date of the Agreement shall be the date the Trustee signs the Agreement and the Trust created hereby shall be identified as The Peter Mainstain 1992 Trust No. 1.

ARTICLE TWO (FUNDING)

The Trustors will cause to be conveyed to the Trustee the legal and equitable title to the real property described in Exhibit "A" attached hereto, without any consideration furnished by the Trustee. The said property will be accepted by the Trustee subject to any taxes, assessments, liens, charges and any encumbrances of record. Any additional property conveyed to the Trustee without written acceptance by the Trustee is not subject to this Agreement.

ARTICLE THREE (BENEFICIARIES)

The Trustee agrees to hold the property conveyed to him and any funds attributable thereto that may come into his possession for the benefit of the following named beneficiaries (hereinafter sometimes referred to as the "Beneficiaries") and their successors in interest according to their respective interests as hereinafter provided: Greg Olsen and Kathy Ireland.

The interest of every Beneficiary and of any person who may become entitled to any interest under this Trust shall consist only of (1) the power to direct the Trustee to deal with title to the property; (2) the power to manage, possess, use and control the property; and (3) the right to receive the earnings, avails and proceeds from leases and other uses and from mortgages, sales and other dispositions of the property.

Such rights and powers shall be personal property and may be assigned as such. On the death of any Beneficiary, his/her interest, except as otherwise specifically provided, shall pass to his/her executor or administrator and not to his/her heirs at law.

No Beneficiary at any time shall have any right, title or interest in or to any portion of the legal or equitable title to the property. The death of any Beneficiary shall not terminate the Trust or affect the rights or powers of the Trustee or of the Beneficiaries except as provided by law.

ARTICLE FOUR (POWER OF DIRECTION)

The Power of Direction shall be in Greg Olsen and Kathy Ireland, while they are both living, and following the death of the first to die of Greg Olsen and Kathy Ireland, in the survivor of Greg Olsen and Kathy Ireland. Such power shall not be affected by the legal incapacity of the Beneficiaries and in the event persons other than corporate entities become the holders of the beneficial interest of the Trust in whole or in part, the rights, powers of duties referred to herein shall not be affected by the death or legal incapacity of any such person(s), except that no such power to direct shall be exercised by any person while legally incompetent. It is further agreed that the Trustee shall not be obligated to make any determination of the merits of any action directed by the Beneficiaries, but shall act solely in accordance with the provisions of the Trust Agreement and shall incur no liability for following such direction.

It is agreed by the parties and by any person who may hereafter acquire any interest in this Trust that the Trustee will deal with the trust property, including cash or other assets of any kind which may have become subject to the Trust, only when authorized to do so in writing.

On the written direction of the party or parties designated herein as having the Power of Direction, the Trustee shall make deed for, or deeds conveying directly to a grantee, or mortgages or trust deeds or execute leases or otherwise deal with the title to the trust property, including cash or other assets subject to the Trust. The Beneficiaries by written instrument delivered to the Trustee may revoke the foregoing Power of Direction and designate the person thereafter to exercise the power. Such instrument shall be signed by all the then Beneficiary(ies). The Trustee shall not be required to inquire into the propriety of any direction.

ARTICLE FIVE (GENERAL PROVISIONS)

A. The Trustee, under certain circumstances, may receive and accept as part of the trust estate money, rent or other income derived therefrom and may receive other payments made by the Beneficiaries of the trust for disbursement for various expenses or charges relating to the Trust. The Trustee shall have no responsibility for the collection of such funds and any received shall be kept in a non-interest bearing commercial checking account.

B. The Trustee may upon receipt of funds and upon proper written direction pay insurance premiums, taxes, assessments, liens or encumbrances, expenses of maintenance, or any other charges in connection with the trust property. The Trustee is not obligated to advance his own funds for such purposes and the Beneficiaries agree to pay all sums necessary to pay such expenses and charges.

C. The Trustee is not required to procure or maintain any insurance, pay or secure the payment of any liens, insurance premiums, encumbrances, taxes, assessments or other charges against the trust property, or to collect or disburse any rents derived therefrom or protect any title he may have or in any respect care for, maintain, or protect the trust estate.

D. The Trustee shall have all powers conferred on the Trustee by law and all powers contained in California Probate

Code Sections 16200 through 16249 and any successor statute. The Trustee may invest and reinvest in depository accounts, investment funds, or other investments managed by the Trustee or any affiliate of the Trustee. The enumeration of certain powers shall not limit the Trustee's general powers.

E. The Trustee shall not be obligated to pay any money for this Trust or the property or to prosecute or defend any legal proceeding involving this Trust or the property unless he shall elect to do so and be furnished sufficient funds or be indemnified to his satisfaction. If the Trustee is served with process or notice of legal proceedings or of any other matter concerning the trust or the property, the sole duty of the Trustee shall be to forward the process or notice to the person named herein as the person to whom inquiries or notices shall be sent, or, in the absence of such designation, to the Beneficiaries. The latest address appearing in the records of the Trustee shall be used for all mailings.

F. The Trustee shall have no obligation to file any income, profit or other tax reports or returns or pay such or any other taxes. The Beneficiaries will make all such returns and reports, and pay general real estate and all other taxes or charges payable with respect to the property and to the earnings, avails and proceeds of the property or based on their interests under this Agreement.

G. The Trustee shall not be required to assume any personal obligation or liability in dealing with the property or to make himself liable for any damages, costs, expenses, fines or penalties, or to deal with title to the property so long as any money is due to him hereunder.

ARTICLE SIX (ASSIGNMENT)

No assignment, sale, or transfer of the interest of a Beneficiary shall be binding on the Trustee until the original or executed duplicate of the assignment is delivered to the Trustee and accepted by him in writing except where such interest may pass or be transferred by a valid decree or order of judgment of a court of competent jurisdiction. All expenses of the Trustee must first be paid in full. If such requirements are not met, the transfer shall be ineffective as to all subsequent assignees or purchasers without notice.

In the event of a death of a Beneficiary, before the Trustee shall be required to execute any conveyance, assignment or transfer with respect to the trust property or beneficial interest hereunder, the Trustee must be satisfied that there are no inheritance, transfer, estate or gift taxes due to the State of California or to the United States of America by reason of such death or that such taxes are paid in full.

ARTICLE SEVEN (CONTRACTS)

A. The Beneficiaries shall have sole possession, management and control of the selling, renting, repairing, maintaining and handling of the property and the Trustee shall have no right or duty in respect to any such matters. The Beneficiaries or their agents, and the Trustee upon proper direction, shall have the right to execute leases and collect rents. The Trustee shall have no right or duty in respect to the payment of taxes or assessments or insurance, litigation or other matters relating to the property, except on written direction accepted by him as herein provided and after the payment to him of all money necessary in his opinion to carry out the directions without liability to it. The Beneficiaries are not the agents of the Trustee for any purpose and do not have any authority to contract or to execute leases or do any other act for or in the name of the Trustee or to obligate the Trustee personally or as Trustee.

B. The Trustee is not personally liable by reason of any contracts executed by him pursuant to the terms of this trust, and the Trustee may contract in such manner as he deems advisable to exclude any such personal liability and to limit any such liability exclusively to the trust estate. The Trustee shall not be required to execute any instrument containing covenants of warranty or that in his exclusive judgment would constitute a violation of the Subdivision Map Law of the California Real Estate Act.

The Trustee shall not be personally liable in any manner by reason of his holding the legal and equitable title to the trust property and the Beneficiaries agree to fully indemnify and hold harmless the Trustee for any damage, expenses, cost, attorney's fees and other liabilities or obligations that the Trustee may incur arising out of or in connection with his duties as Trustee.

ARTICLE EIGHT (REVOCATION)

By amendment in writing delivered to and accepted by the Trustee, any Beneficiary having a vested interest hereunder shall at any time or times have the right to revoke, alter or amend the provisions of the Trust Agreement relative to the person or persons who may be entitled from time to time to the ownership and enjoyment of said Beneficiary's interest hereunder.

Any Beneficiary holding his/her interest as community property shall only have the right to affect their one-half interest of said community property.

ARTICLE NINE (RESIGNATION)

The Trustee may at any time resign by sending, by registered or certified mail, a notice of such intention to each of the then Beneficiaries at his/her latest address appearing in the records of the Trustee.

Such resignation shall become effective twenty days after such mailing. On such resignation a successor may be appointed in writing by the person(s) then entitled to direct the Trustee in the disposition of the property, and the Trustee shall thereupon convey or transfer the property to such successor. If no successor is named as above provided within twenty days after the mailing of such notices by the Trustee, the Trustee shall convey or transfer the trust property to the Beneficiaries in accordance with their interests hereunder, and the conveyance shall be recorded, as the case may be, by the Trustee and such recording shall constitute delivery of conveyance or transfer to the Beneficiaries. The Trustee, at his option, may file a complaint for appropriate relief in any court of competent jurisdiction.

Every successor Trustee shall become fully vested with all the title, estate, rights, powers, trusts, and shall be subject to the duties and obligations of his predecessor.

ARTICLE TEN (TERMINATION)

The Trust shall terminate, unless sooner revoked by all Beneficiaries, when all of said real property has been conveyed by the Trustee and all funds or other property contained in the trust shall have been paid out or delivered under the terms hereunder, or until 30 years from the date of the Agreement or extension thereof whichever event shall first occur.

If any property remains in this trust 30 years from the date of this Agreement or any extension thereof, it shall be sold at public sale by the Trustee on reasonable notice as determined by the Trustee and the net proceeds of the sale shall be divided among those who are then entitled thereto under this Agreement in the proportions in which they are then entitled.

ARTICLE ELEVEN (MISCELLANEOUS)

A. The Trustee shall be entitled to receive a fair and just compensation for services hereunder and shall be reimbursed for all reasonable expenses incurred in the management and protection of the trust estate.

B. If the Trustee shall make any advances or incur any expenses on account of this Trust or the property or shall incur any expenses by reason of being made a party to any litigation in connection with this Trust or the property or if the Trustee shall be compelled to pay money on account of this trust or the property, whether for breach of contract, injury to person or property, fines or penalties under any law, or otherwise, the Beneficiaries jointly and severally on demand shall pay to the Trustee the amount of all such expenses, advances or payments made by the Trustee, plus all the Trustee's expenses, including attorney's fees. The Trustee shall not be obliged to convey, transfer or otherwise deal with the property or any part of it until all of the payments, advances and expenses made or incurred by him shall have been paid, with interest.

C. It shall not be the duty of the purchaser of the property or of any part of it to see to the application of the purchase money, nor shall anyone who may deal with the Trustee be required or privileged to inquire into the necessity or expediency of any act of the Trustee, or into the provisions of this Agreement.

D. This Agreement shall not be recorded in the county in which the property is situated, or elsewhere; however, any recording shall not be notice of the rights of any person derogatory to the title or powers of the Trustee. In this Agreement the plural includes the singular, and vice versa, and the masculine gender includes the feminine.

E. The name(s) of any Beneficiary will not be disclosed to the public, unless otherwise directed in writing, or required by law.

F. After the Trust is substantially funded, the Trustee shall provide the Beneficiaries with annual statements of account. Final Distributees of the Trust shall receive closing statements.

G. The Trustee shall not be liable for the consequences of action taken when no written notice of a death of a Beneficiary or change of address has been received by the Trustee.

H. The validity of this Trust, its construction, and all rights hereunder shall be determined by the laws in effect from time to time, for the State of California.

Executed at Los Angeles, California, on MAY 28, 1992.

PETER MAINSTAIN
Trustee

We certify that we have read the foregoing Trust Agreement of The Peter Mainstain 1992 Trust No. 1 and that it correctly states the terms and conditions under which the trust estate is to be held, managed, and disposed of by the Trustee. We approve the Trust Agreement in all particulars.

Dated: April 11, 1992.

GREG OLSEN
Trustor

KATHY IRELAND
Trustor

EXHIBIT "A"

Schedule of Property

The Trustors' residence located in Santa Barbara, California.

Exhibit B

RECORDING REQUESTED BY

JOHN P. KENOSIAN

AND WHEN RECORDED MAIL TO:

Peter Mainstain
Tanner, Mainstain, & Hoffer
10866 Wilshire Bl., 10th Fl.
Los Angeles, CA. 90024

97-014739

Recorded
Official Records
County of
Santa Barbara
Kenneth A Pettit
Recorder
9:56am 19-Mar-97

Rec Fee	14.00
AU2	2.00
Check	16.00

PUBL CC 4

SPACE ABOVE THIS LINE FOR RECORDER'S USE

ASSESSORS PARCEL NO. 11-050-72

Trust Transfer Deed

THIS FORM FURNISHED BY TRUSTORS SECURITY SERVICE

Grant Deed (Excluded from Reappraisal Under Proposition 13, i.e., Calif. Const. Art 13A§1 et. seq.)

The undersigned Grantor(s) declare(s) under penalty of perjury that the following is true and correct:
THERE IS NO CONSIDERATION FOR THIS TRANSFER.

Documentary transfer tax is $ -0-

☐ Computed on full value of property conveyed, or ☐ Computed on full value less value of liens and encumbrances remaining at time of sale or transfer.

☒ There is no Documentary transfer tax due. (state reason and give Code § or Ordinance number) This conveyance transfers the grantor's interest into their Revoc.Living Trust R&T 11911

☐ Unincorporated area: ☐ City of ________________ and

This is a Trust Transfer under §62 of the Revenue and Taxation Code and Grantor(s) has (have) checked the applicable exclusion:

☒ Transfer to a revocable trust;
☐ Transfer to a short-term trust not exceeding 12 years with trustor holding the reversion;
☐ Transfer to a trust where the trustor or the trustor's spouse is the sole beneficiary;
☐ Change of trustee holding title;
☐ Transfer from trust to trustor or trustor's spouse where prior transfer to trust was excluded from reappraisal and for a valuable consideration, receipt of which is acknowledged.
☐ Other: ________________

GRANTOR(S): Gregory P. Olsen and Kathleen Ireland, husband and wife as community property.

hereby GRANT(S) to Peter Mainstain as Trustee of The Peter Mainstain 1992 Trust No. 1, dated May 28, 1992.

the following described real property in the County of Santa Barbara, State of California

Legal Description attached hereto as Exhibit "A" and made a Part hereof.

Dated March 18, 1997

Gregory P. Olsen

Kathleen Ireland

Grantor - Transferor(s)

State of California
County of Santa Barbara
On 3/18/97
before me, JOHN P. KENOSIAN
personally appeared Gregory P. Olsen and Kathleen Ireland
personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature [signature]

JOHN P. KENOSIAN
Commission # 1111151
Notary Public — California
Los Angeles County
My Comm. Expires Oct 6, 2000

Title Order No. ________________ Escrow, Loan or Attorney File No. ________________

MAIL TAX STATEMENTS TO: Peter Mainstain, 10866 Wilshire Blvd., 10th Floor, L.A., CA. 90024
NAME ADDRESS CITY STATE ZIP

EXHIBIT "A"

DESCRIPTION:

All that certain land situated in the State of California in the unincorporated area of the County of Santa Barbara, described as follows:

PARCEL ONE:

That land in the County of Santa Barbara, State of California, shown as Parcel 2 on the map filed in Book 145, Page 93 of Record of Surveys in the office of the County Recorder of said County.

PARCEL TWO:

That certain perpetual right of way for all road purposes and for laying and maintaining water pipes, granted to Edwin H. Sawyer by James Waring, by Deed dated July 18, 1990 and recorded in Said records of the County of Santa Barbara in Book 71 of Deeds, Page 421, being bounded and described as follows:

Being a strip of land ten feet wide, being part of the land in Montecito, County of Santa Barbara, State of California, conveyed to B.W. Brunsen, by W.S. Sawyer and H.R. Sawyer, by Deed dated February 20, 1893, and recorded in said Records of the County of Santa Barbara, in Book 34 of Deeds, Page 592, lying immediately North of the South boundary of said tract, and being ten feet wide along its entire course; said South boundary line being 8.40 chains long and constituting the 3rd course in said Deed to said B.W. Brunsen.

PARCEL THREE:

An easement for pipe line purposes for the benefit of Parcel "C" of Parcel Map No. 11,179, in the County of Santa Barbara, State of California, as per map recorded in Book 7, Page 18, of Parcel Maps, in the office of the County Recorder of said County, in, under and through that portion of Parcels "A" and "B" of said Parcel Map No. 11,179 lying within the lines of Hot Springs Road, shown on said Map.

PARCEL FOUR:

An easement for the installation, maintenance and repair of an underground water pipe line in, on, under and through that portion of Parcels "A" and "B" on Parcel Map No. 11,179, in the County of Santa Barbara, State of California, filed October 7, 1970 in Book 7, Page 18 of Parcel Maps, in the office of the County Recorder of said County, described as follows:

Continued...

Parcel Four (cont.)

Beginning at a point on the Westerly line of Hot Springs Road, 50.00 feet wide, as shown on said Map, said point being the Northerly terminus of the line shown as South 01°23'55" West 171.84 feet; thence along said Westerly line of Hot Springs Road, South 01°23'55" West 374.08 feet to the Southerly boundary line of said Parcel "B"; thence along said Southerly boundary North 88°36'05" West 5.00 feet; thence North 01°23'55" East parallel with said West line of Hot Springs Road to a point on the Southerly line of Mountain Drive, 60.00 feet wide, as shown on said Map, said point being on a curve, having a radius of 30.00 feet and a length of 34.72 feet, as shown on said Map; thence Southerly along the arc of said curve to the point of beginning.

PARCEL FIVE:

An easement for sewer purposes over the Southerly 15.00 feet of Parcel 3 on the map filed in Book 145, Page 93 of Record of Surveys in the office of the County Recorder of said County. Said easement shall be appurtenant to and for the benefit of PARCEL ONE above.

PARCEL SIX:

An exclusive easement for ingress, egress, driveway, utility and landscaping purposes over a portion of Parcel 3 on the map filed in Book 145, Page 93 of Record of Surveys in the office of the County Recorder of said County described as follows:

Beginning at the Northwest corner of said Parcel 3, thence, along the Northerly line of said Parcel, South 86°41'20" East 149.53 feet and South 88°36'05" East 80.16 feet to the Westerly sideline of Hot Springs Road as shown on said map; thence, along said sideline, South 01°23'55" West 34.00 feet; thence, North 57°57'48" West 15.70 feet; thence North 84°20'01" West 67.19 feet; thence along a line parallel to and 21.00 feet Southerly of, measured at right angles, said Northerly line, North 86°41'20" West 150.43 feet to a point on the Westerly line of said Parcel 3; thence, along said Westerly line, North 04°48'14" East 21.01 feet to the point of beginning. Said easement shall be appurtenant to and for the benefit of PARCEL ONE above.

PARCEL SEVEN:

An exclusive easement for driveway and landscaping purposes over that portion of Parcel 1 on the map filed in Book 145, Page 93 of Record of Surveys in the office of the County Recorder of said County described as follows:

Continued...

Parcel Seven (cont.)

Beginning at a point on the Southerly line of said Parcel 1 distant thereon North 88°36'05" West 30.00 feet from the Southeast corner of said Parcel, said point being on the Westerly sideline of Hot Springs Road as shown on said map; thence, along said Southerly line, North 88°36'05" West 68.16 feet; thence along the face of a wall, North 01°23'55" East 9.00 feet and South 88°36'05" East 68.16 feet to said Westerly sideline of Hot Springs Road; thence, along said sideline, South 01°23'55" West 9.00 feet to the point of beginning. Said easement shall be appurtenant to and for the benefit of PARCEL ONE above.

PARCEL EIGHT:

An easement for landscaping purposes over that portion of the land shown as Parcel 3 on the map filed in Book 145, Page 93 of Record of Surveys in the office of the Santa Barbara County Recorder described as follows:

Beginning at the Southwest corner of said Parcel 3, thence along the Westerly line of said Parcel North 04°48'14" East 152.60 feet to the Southerly line of a 21 foot wide (and variable) easement described above as PARCEL SIX; thence along said Southerly line South 86°41'20" East 13.87 feet to the beginning of a non-tangent curve the center of which bears South 03°18'40" West 5.00 feet; thence Southwesterly and Southerly along the arc of said curve through a central angle of 88°30'25" A distance of 7.72 feet; thence Southerly along a line that is parallel to and 9.00 feet Easterly of, measured at right angles, said Westerly line of Parcel 3, South 04°48'14" West 147.10 feet to the Southerly line of said Parcel 3; thence along said Southerly line South 89°17'54" West 9.04 feet to the point of beginning. Said easement is appurtenant to and for the benefit of PARCEL ONE above.

PARCEL NINE:

An easement for Montecito Water District water line purposes over the Northerly 10.00 feet of Parcel 1 on the map filed in Book 145, Page 93 of Record of Surveys in the office of the County Recorder of said County. Said easement shall be appurtenant to and for the benefit of PARCEL ONE above.

Exhibit C

RECORDING REQUEST BY: "DPS"

RECORDING REQUESTED BY
Fidelity Title
WHEN RECORDED MAIL TO
AND MAIL TAX STATEMENTS TO:

NAME Comerica Bank.
Attn: PHH Post-Closing Dept.
MAILING ADDRESS Mailstop: DC.
1 Mortgage Way.
CITY, STATE Mount Laurel, NJ
ZIP CODE 08054.

2018-0000187

Recorded Official Records County of Santa Barbara Joseph E. Holland County Clerk Recorder	REC FEE	114.00
	SB2 HOUSING	75.00
	JM	
08:00AM 03-Jan-2018	Page 1 of 31	

SPACE ABOVE THIS LINE IS RESERVED FOR RECORDER

TITLE (S)

Deed of Trust

FIDELITY NATIONAL TITLE
ORANGE COUNTY

Recording Requested By:

Return To:

Comerica Bank
ATTN: PHH Post-Closing Dept., Mailstop: DC, 1 Mortgage Way, Mount Laurel NJ 08054

Prepared By:

Vicki Young
c/o PHH Mortgage, 1 Mortgage Way, Mount Laurel, NJ 08054

Deed of Trust

MIN: 100078471647548500

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) **"Security Instrument"** means this document, which is dated **December 28, 2017** , together with all Riders to this document.

(B) **"Borrower"** is **JASON WINTERS AND ERIK STERLING AS CO-TRUSTEES OF THE PETER MAINSTAIN 1992 TRUST NO. 1, DATED MAY 28, 1992**

Borrower's address is **815 HOT SPRINGS ROAD Santa Barbara, CA 93108** . Borrower is the trustor under this Security Instrument.

(C) **"Lender"** is **Comerica Bank**

Lender is a **Texas banking association** organized and existing under the laws of **Texas**
Lender's address is **c/o PHH Mortgage, 1 Mortgage Way, Mount Laurel, NJ 08054**

(D) "Trustee" is **First American Title**

(E) "**MERS**" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. **MERS is the beneficiary under this Security Instrument.** MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.

(F) "**Note**" means the promissory note signed by Borrower and dated **December 28, 2017** . The Note states that Borrower owes Lender **Four Million Five Hundred Fifty Thousand Dollars and Zero Cents** Dollars (U.S. **$4,550,000.00**) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than **January 01, 2048** .

(G) "**Property**" means the property that is described below under the heading "Transfer of Rights in the Property."

(H) "**Loan**" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(I) "**Riders**" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

[X] Adjustable Rate Rider	[ ] Condominium Rider	[ ] Second Home Rider
[ ] Balloon Rider	[ ] Planned Unit Development Rider	[ ] 1-4 Family Rider
[ ] VA Rider	[ ] Biweekly Payment Rider	[ ] Other(s) [specify]

(J) "**Applicable Law**" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(K) "**Community Association Dues, Fees, and Assessments**" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(L) "**Electronic Funds Transfer**" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(M) "**Escrow Items**" means those items that are described in Section 3.

(N) "**Miscellaneous Proceeds**" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(O) **"Mortgage Insurance"** means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(P) **"Periodic Payment"** means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

(Q) **"RESPA"** means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (12 C.F.R. Part 1024), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

(R) **"Successor in Interest of Borrower"** means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

The beneficiary of this Security Instrument is MERS (solely as nominee for Lender and Lender's successors and assigns) and the successors and assigns of MERS. This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the

County	of	**SANTA BARBARA**	:
(Type of Recording Jurisdiction)		*(Name of Recording Jurisdiction)*	

See Attached Legal Description

Parcel ID Number: 011-260-022 which currently has the address of
815 HOT SPRINGS ROAD *(Street)*
SANTA BARBARA *(City)*, California **93108** *(Zip Code)*
("Property Address"):

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property." Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right: to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Property; and to take any action required of Lender including, but not limited to, releasing and canceling this Security Instrument.

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. **Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges.** Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

   Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. **Application of Payments or Proceeds.** Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

   If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

   Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. **Funds for Escrow Items.** Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in

accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. **Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

5. **Property Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender' s right to disapprove Borrower' s choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender' s option and Borrower' s expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower' s equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender' s right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee and Borrower further agrees to generally assign rights to insurance proceeds to the holder of the Note up to the amount of the outstanding loan balance. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee and Borrower further agrees to generally assign rights to insurance proceeds to the holder of the Note up to the amount of the outstanding loan balance.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender' s security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. **Occupancy.** Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. **Preservation, Maintenance and Protection of the Property; Inspections.** Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. **Borrower's Loan Application.** Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. **Protection of Lender's Interest in the Property and Rights Under this Security Instrument.** If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

   Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

   If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. **Mortgage Insurance.** If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in

full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) **Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.**

(b) **Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.**

11. **Assignment of Miscellaneous Proceeds; Forfeiture.** All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such

Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. **Joint and Several Liability; Co-signers; Successors and Assigns Bound.** Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

    Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

14. **Loan Charges.** Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

    If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

15. **Notices.** All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower' s notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower' s change of address. If Lender specifies a procedure for reporting Borrower' s change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender' s address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. **Governing Law; Severability; Rules of Construction.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

    As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. **Borrower's Copy.** Borrower shall be given one copy of the Note and of this Security Instrument.

18. **Transfer of the Property or a Beneficial Interest in Borrower.** As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

    If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender' s prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

    If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. **Borrower's Right to Reinstate After Acceleration.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. **Sale of Note; Change of Loan Servicer; Notice of Grievance.** The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. **Hazardous Substances.** As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

22. **Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies**

permitted by Applicable Law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute a written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold. Trustee shall cause this notice to be recorded in each county in which any part of the Property is located. Lender or Trustee shall mail copies of the notice as prescribed by Applicable Law to Borrower and to the other persons prescribed by Applicable Law. Trustee shall give public notice of sale to the persons and in the manner prescribed by Applicable Law. After the time required by Applicable Law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

23. **Reconveyance.** Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty to the person or persons legally entitled to it. Lender may charge such person or persons a reasonable fee for reconveying the Property, but only if the fee is paid to a third party (such as the Trustee) for services rendered and the charging of the fee is permitted under Applicable Law. If the fee charged does not exceed the fee set by Applicable Law, the fee is conclusively presumed to be reasonable.

24. **Substitute Trustee.** Lender, at its option, may from time to time appoint a successor trustee to any Trustee appointed hereunder by an instrument executed and acknowledged by Lender and recorded in the office of the Recorder of the county in which the Property is located. The instrument shall contain the name of the original Lender, Trustee and Borrower, the book and page where this Security Instrument is recorded and the name and address of the successor trustee. Without conveyance of the Property, the successor trustee shall succeed to all the title, powers and duties conferred upon the Trustee herein and by Applicable Law. This procedure for substitution of trustee shall govern to the exclusion of all other provisions for substitution.

25. **Statement of Obligation Fee.** Lender may collect a fee not to exceed the maximum amount permitted by Applicable Law for furnishing the statement of obligation as provided by Section 2943 of the Civil Code of California.

The undersigned Borrower requests that a copy of any Notice of Default and any Notice of Sale under this Security Instrument be mailed to the Borrower at the address set forth above. A copy of any Notice of Default and any Notice of Sale will be sent only to the address contained in this recorded request. If the Borrower's address changes, a new request must be recorded.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

(Seal) -Borrower
Jason Winters, as Trustee of The Peter Mainstain 1992 Trust No. 1 under Trust Instrument dated May 28, 1992, as amended

E.S. Erik Sterling

(Seal) -Borrower
~~Erik Storing,~~ as Trustee of The Peter Mainstain 1992 Trust No. 1 under Trust Instrument dated May 28, 1992, as amended

☐ Refer to the attached *Signature Addendum* for additional parties and signatures.

The undersigned Borrower requests that a copy of any Notice of Default and any Notice of Sale under this Security Instrument be mailed to the Borrower at the address set forth above. A copy of any Notice of Default and any Notice of Sale will be sent only to the address contained in this recorded request. If the Borrower's address changes, a new request must be recorded.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

____(*Seal*)
-Borrower

____(*Seal*)
-Borrower

☐ Refer to the attached *Signature Addendum* for additional parties and signatures.

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California T. T.
County of ~~SANTA BARBARA~~ Los Angeles
On **December ~~28~~, 2017** 27 T.T. , before me Tom V. Trang, Notary Public,
Notary Public, personally appeared
Jason Winters and Erik Sterling

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

TOM V. TRANG
Commission # 2067240
Notary Public - California
Orange County
My Comm. Expires May 5, 2018

Notary Public

My commission expires: May 5, 2018

Loan origination organization **Comerica Bank**
NMLS ID **480990**
Loan originator **Nisey Groharing**
NMLS ID **544053**

Fixed/Adjustable Rate Rider

(LIBOR One-Year Index (As Published In *The Wall Street Journal*) - Rate Caps)

THIS FIXED/ADJUSTABLE RATE RIDER is made this **28th** day of **December, 2017** , and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Fixed/Adjustable Rate Note (the "Note") to
Comerica Bank

("Lender") of the same date and covering the property described in the Security Instrument and located at: **815 HOT SPRINGS ROAD Santa Barbara, CA 93108**

(Property Address)

THE NOTE PROVIDES FOR A CHANGE IN BORROWER'S FIXED INTEREST RATE TO AN ADJUSTABLE INTEREST RATE. THE NOTE LIMITS THE AMOUNT BORROWER'S ADJUSTABLE INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MINIMUM AND MAXIMUM RATES BORROWER MUST PAY.

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. **ADJUSTABLE RATE AND MONTHLY PAYMENT CHANGES.** The Note provides for an initial fixed interest rate of **4.750%**. The Note also provides for a change in the initial fixed rate to an adjustable interest rate, as follows:

4. **ADJUSTABLE INTEREST RATE AND MONTHLY PAYMENT CHANGES.**

(A) **Change Dates.** The initial fixed interest rate I will pay will change to an adjustable interest rate on the first day of **January, 2033** , and the adjustable interest rate I will pay may change on that day every 12th month thereafter. The date on which my initial fixed interest rate changes to an adjustable interest rate, and each date on which my adjustable interest rate could change, is called a "Change Date."

(B) **The Index.** Beginning with the first Change Date, my adjustable interest rate will be based on an Index. The "Index" is the average of interbank offered rates for one-year U.S. dollar-denominated deposits in the London market ("LIBOR"), as published in The Wall Street Journal. The most recent Index value available as of the date 45 days before each Change Date is called the "Current Index," provided that if the Current Index is less than zero, then the Current Index will be deemed to be zero for purposes of calculating my interest rate.

If the Index is no longer available, the Note Holder will choose a new index that is based upon comparable information. The Note Holder will give me notice of this choice.

(C) Calculation of Changes. Before each Change Date, the Note Holder will calculate my new interest rate by adding **Two and Twenty-Five / Hundredths**

percentage points (**2.250%**) (the "Margin") to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

(D) Limits on Interest Rate Changes. The interest rate I am required to pay at the first Change Date will not be greater than **9.750%** or less than **2.250%**. Thereafter, my adjustable interest rate will never be increased or decreased on any single Change Date by more than two percentage points from the rate of interest I have been paying for the preceding 12 months. My interest rate will never be greater than **9.750%** or less than the Margin.

(E) Effective Date of Changes. My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

(F) Notice of Changes. The Note Holder will deliver or mail to me a notice of any changes in my initial fixed interest rate to an adjustable interest rate and of any changes in my adjustable interest rate before the effective date of any change. The notice will include the amount of my monthly payment, any information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER.

1. Until Borrower's initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section A above, Uniform Covenant 18 of the Security Instrument shall read as follows:

Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

2. When Borrower's initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section A above, Uniform Covenant 18 of the Security Instrument described in Section B1 above shall then cease to be in effect, and the provisions of Uniform Covenant 18 of the Security Instrument shall be amended to read as follows:

Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender also may require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Fixed/Adjustable Rate Rider.

(Seal) -Borrower
Jason Winters, as Trustee of The Peter Mainstain 1992 Trust No. 1 under Trust Instrument dated May 28, 1992, as amended

(Seal) -Borrower
Erik Sterling, as Trustee of The Peter Mainstain 1992 Trust No. 1 under Trust Instrument dated May 28, 1992, as amended

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Fixed/Adjustable Rate Rider.

_______________________ (Seal) -Borrower	_______________________ (Seal) -Borrower

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Fixed/Adjustable Rate Rider.

____________________ (Seal) -Borrower

____________________ (Seal) -Borrower

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Los Angeles)

On Dec. 27, 2017 before me, Tom V. Trang, Notary Public,
(insert name and title of the officer)

personally appeared Jason Winters and Erik Sterling,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

TOM V. TRANG
Commission # 2067240
Notary Public - California
Orange County
My Comm. Expires May 5, 2018

WITNESS my hand and official seal.

Signature ____________ (Seal)

Fidelity National Title Company
Order No.: 00190961-001-TL

Your Reference Number: 7164754850

EXHIBIT A

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SANTA BARBARA, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

THAT LAND IN THE COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, SHOWN AS PARCEL 2 ON THE MAP FILED IN BOOK 145, PAGE 93 OF RECORD OF SURVEYS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

THAT CERTAIN PERPETUAL RIGHT OF WAY FOR ALL ROAD PURPOSES AND FOR LAYING AND MAINTAINING WATER PIPES, GRANTED TO EDWIN H. SAWYER BY JAMES WARING, BY DEED DATED JULY 18, 1990 AND RECORDED IN SAID RECORDS OF THE COUNTY OF SANTA BARBARA IN BOOK 71 OF DEEDS, PAGE 421, BEING BOUNDED AND DESCRIBED AS FOLLOWS:

BEING A STRIP OF LAND TEN FEET WIDE, BEING PART OF THE LAND IN MONTECITO, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, CONVEYED TO E.W. BRUNSEN, BY W.S. SAWYER AND H.R. SAWYER, BY DEED DATED FEBRUARY 20, 1893, AND RECORDED IN SAID RECORDS OF THE COUNTY OF SANTA BARBARA, IN BOOK 34 OF DEEDS, PAGE 592, LYING IMMEDIATELY NORTH OF THE SOUTH BOUNDARY OF SAID TRACT, AND BEING TEN FEET WIDE ALONG ITS ENTIRE COURSE; SAID SOUTH BOUNDARY LINE BEING 8.40 CHAINS LONG AND CONSTITUTING THE 3RD COURSE IN SAID DEED TO SAID E.W. BRUNSEN.

PARCEL 3:

AN EASEMENT FOR PIPE LINE PURPOSES FOR THE BENEFIT OF PARCEL "C" OF PARCEL MAP NO. 11,179, IN THE COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 7, PAGE 18, OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, IN, UNDER AND THROUGH THAT PORTION OF PARCELS "A" AND "B" OF SAID PARCEL MAP NO. 11,179 LYING WITHIN THE LINES OF HOT SPRINGS ROAD, SHOWN ON SAID MAP.

PARCEL 4:

AN EASEMENT FOR THE INSTALLATION, MAINTENANCE AND REPAIR OF AN UNDERGROUND WATER PIPE LINE IN, ON, UNDER AND THROUGH THAT PORTION OF PARCELS "A" AND "B" ON PARCEL MAP NO. 11,179, IN THE COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, FILED OCTOBER 7, 1970 IN BOOK 7, PAGE 18 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WESTERLY LINE OF HOT SPRINGS ROAD, 50.00 FEET WIDE, AS SHOWN ON SAID MAP, SAID POINT BEING THE NORTHERLY TERMINUS OF THE LINE SHOWN AS SOUTH 01°23'55" WEST 171.84 FEET; THENCE ALONG SAID WESTERLY LINE OF HOT SPRINGS ROAD, SOUTH 01°23'55" WEST 374.08 FEET TO THE SOUTHERLY BOUNDARY LINE OF SAID PARCEL "B"; THENCE ALONG SAID SOUTHERLY BOUNDARY NORTH 88°36'05" WEST 5.00 FEET; THENCE NORTH 01°23'55" EAST PARALLEL WITH SAID WEST LINE OF HOT SPRINGS ROAD TO A POINT ON THE SOUTHERLY LINE OF MOUNTAIN DRIVE, 60.00 FEET WIDE, AS SHOWN ON SAID MAP, SAID POINT BEING ON A CURVE, HAVING A RADIUS OF 30.00 FEET AND A LENGTH OF 34.72 FEET, AS SHOWN ON SAID MAP; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE TO THE POINT OF BEGINNING.

PARCEL 5:

AN EASEMENT FOR SEWER PURPOSES OVER THE SOUTHERLY 15.00 FEET OF PARCEL 3 ON THE MAP FILED IN BOOK 145, PAGE 93 OF RECORD OF SURVEYS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. SAID EASEMENT SHALL BE APPURTENANT TO AND FOR THE BENEFIT OF PARCEL ONE ABOVE.

PARCEL 6:

AN EXCLUSIVE EASEMENT FOR INGRESS, EGRESS, DRIVEWAY, UTILITY AND LANDSCAPING PURPOSES OVER A PORTION OF PARCEL 3 ON THE MAP FILED IN BOOK 145, PAGE 93 OF RECORD OF SURVEYS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID PARCEL 3, THENCE, ALONG THE NORTHERLY LINE OF SAID PARCEL, SOUTH 86°41'20" EAST 149.53 FEET AND SOUTH 88°36'05" EAST 80.16 FEET TO THE WESTERLY SIDELINE OF HOT SPRINGS ROAD AS SHOWN ON SAID MAP; THENCE, ALONG SAID SIDELINE, SOUTH 01°23'55" WEST 34.00 FEET; THENCE, NORTH 57°57'48" WEST 15.70 FEET; THENCE NORTH 84°20'01" WEST 67.19 FEET; THENCE ALONG A LINE PARALLEL TO AND 21.00 FEET SOUTHERLY OF, MEASURED AT RIGHT ANGLES, SAID NORTHERLY LINE, NORTH 86°41'20" WEST 150.43 FEET TO A POINT ON THE WESTERLY LINE OF SAID PARCEL 3; THENCE, ALONG SAID WESTERLY LINE, NORTH 04°48'14" EAST 21.01 FEET TO THE POINT OF BEGINNING. SAID EASEMENT SHALL BE APPURTENANT TO AND FOR THE BENEFIT OF PARCEL ONE ABOVE.

PARCEL 7:

AN EXCLUSIVE EASEMENT FOR DRIVEWAY AND LANDSCAPING PURPOSES OVER THAT PORTION OF PARCEL 1 ON THE MAP FILED IN BOOK 145, PAGE 93 OF RECORD OF SURVEYS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHERLY LINE OF SAID PARCEL 1 DISTANT THEREON NORTH 88°36'05" WEST 30.00 FEET FROM THE SOUTHEAST CORNER OF SAID PARCEL, SAID POINT BEING ON THE WESTERLY SIDELINE OF HOT SPRINGS ROAD AS SHOWN ON SAID MAP; THENCE, ALONG SAID SOUTHERLY LINE, NORTH 88°36'05" WEST 68.16 FEET; THENCE ALONG THE FACE OF A WALL, NORTH 01°23'55" EAST 9.00 FEET AND SOUTH 88°36'05" EAST 68.16 FEET TO SAID WESTERLY SIDELINE OF HOT SPRINGS ROAD; THENCE, ALONG SAID SIDELINE, SOUTH 01°23'55" WEST 9.00 FEET TO THE POINT OF BEGINNING. SAID EASEMENT SHALL BE APPURTENANT TO AND FOR THE BENEFIT OF PARCEL ONE ABOVE.

PARCEL 8:

AN EASEMENT FOR LANDSCAPING PURPOSES OVER THAT PORTION OF THE LAND SHOWN AS PARCEL 3 ON THE MAP FILED IN BOOK 145, PAGE 93 OF RECORD OF SURVEYS IN THE OFFICE OF THE SANTA BARBARA COUNTY RECORDER DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID PARCEL 3, THENCE ALONG THE WESTERLY LINE OF SAID PARCEL NORTH 04°48'14" EAST 152.60 FEET TO THE SOUTHERLY LINE OF A 21 FOOT WIDE (AND VARIABLE) EASEMENT DESCRIBED ABOVE AS PARCEL SIX; THENCE ALONG SAID SOUTHERLY LINE SOUTH 86°41'20" EAST 13.87 FEET TO THE BEGINNING OF A NON-TANGENT CURVE THE CENTER OF WHICH BEARS SOUTH 03°18'40" WEST 5.00 FEET; THENCE SOUTHWESTERLY AND SOUTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 88°30'25" A DISTANCE OF 7.72 FEET; THENCE SOUTHERLY ALONG A LINE THAT IS PARALLEL TO AND 9.00 FEET EASTERLY OF, MEASURED AT RIGHT ANGLES, SAID WESTERLY LINE OF PARCEL 3, SOUTH 04°48'14" WEST 147.10 FEET TO THE SOUTHERLY LINE OF SAID PARCEL 3; THENCE ALONG SAID SOUTHERLY LINE SOUTH 89°17'54" WEST 9.04 FEET TO THE POINT OF BEGINNING. SAID EASEMENT IS APPURTENANT TO AND FOR THE BENEFIT OF PARCEL ONE ABOVE.

PARCEL 9:

AN EASEMENT FOR MONTECITO WATER DISTRICT WATER LINE PURPOSES OVER THE NORTHERLY 10.00 FEET OF PARCEL 1 ON THE MAP FILED IN BOOK 145, PAGE 93 OF RECORD OF SURVEYS IN THE OFFICE OF

THE COUNTY RECORDER OF SAID COUNTY. SAID EASEMENT SHALL BE APPURTENANT TO AND FOR THE BENEFIT OF PARCEL ONE ABOVE.

APN: **011-260-022**

Exhibit D

PETER MAINSTAIN 1992 TRUST #1

LETTER OF RESIGNATION OF CO-TRUSTEES

TO: Greg Olsen and Kathy Ireland, Beneficiaries of the Peter Mainstain 1992 Trust #1, dated May 28, 1992

We, JASON WINTERS and ERIK STERLING, Co-Trustees of the Peter Mainstain 1992 Trust #1 dated May 28, 1992, hereby, pursuant to the authority granted therein and specifically set forth in Article Nine granting a trustee(s) the right to resign, do hereby resign and tender our written notice of resignation.

Dated: 10/6/2024, 2024

DocuSigned by:
Jason Winters
JASON WINTERS

Dated: 10/6/2024, 2024

DocuSigned by:
Erik Sterling
ERIK STERLING

4869-6536-2918, v. 1

Exhibit E

WAIVER OF MAILING AND 20-DAY PERIOD REQUIREMENT; DECLINATION TO ACT AS SUCCESSOR CO-TRUSTEES; APPOINTMENT OF AND CONSENT TO ACT AS SUCCESSOR CO-TRUSTEES

THE PETER MAINSTAIN 1992 TRUST NO. 1

The undersigned parties, JON CARRASCO, STEPHEN ROSEBERRY, JASON WINTERS, ERIK STERLING, GREG OLSEN, and KATHY IRELAND (the "Parties") are signing this document with respect to the following:

RECITALS

1. On May 28, 1992, GREG OLSEN and KATHY IRELAND, in their capacities as Trustors, and PETER MAINSTAIN, in his capacity as initial Trustee, executed the Peter Mainstain 1992 Trust No.1 (hereinafter the "Trust").

2. Article Nine of the Trust allows a Trustee to resign at any time by sending, by registered or certified mail, a notice of such intention to each of the Beneficiaries at his/her latest address appearing in the records of the Trustee. The resignation shall become effective twenty days after such mailing, at which time a successor trustee may be appointed in writing by GREG OLSEN and KATHY IRELAND. GREG OLSEN and KATHY IRELAND are the Beneficiaries of the Trust.

3. On June 28, 2016, PETER MAINSTAIN resigned as Trustee of the Trust. Pursuant to the terms of Article Nine of the Trust, JASON WINTERS and ERIK STERLING were designated to serve as successor Co-Trustees and consented to serve in that capacity on July 22, 2016. JON CARRASCO and STEPHEN ROSEBERRY were designated as successor Co-Trustees in the event either JASON WINTERS or ERIK STERLING was unable to or unwilling to serve.

4. JASON WINTERS and ERIK STERLING resigned as Co-Trustees of the Trust by a Letter of Resignation signed on October 6, 2024 and delivered to the Beneficiaries.

5. JON CARRASCO and STEPHEN ROSEBERRY each wish to decline to act as a successor Co-Trustee of the Trust as a result of JASON WINTERS' and ERIK STERLING's resignations. In this case, the Parties wish to waive the requirements that a Trustee's written resignation be mailed by registered or certified mail to GREG OLSEN and KATHY IRELAND and take effect 20 days after such mailing. The Parties wish to accept the resignations of JASON WINTERS and ERIK STERLING as Co-Trustees effective immediately.

6. GREG OLSEN and KATHY IRELAND wish to appoint themselves as Co-Trustees of the Trust.

7. This document may be signed in counterpart by the parties.

WAIVER OF MAILING AND 20-DAY PERIOD REQUIREMENT

NOW, THEREFORE, JON CARRASCO, STEPHEN ROSEBERRY, JASON WINTERS, ERIK STERLING, GREG OLSEN, and KATHY IRELAND, do hereby waive the terms of Article Nine of The Peter Mainstain 1992 Trust No. 1 that require a Trustee's written resignation to be mailed by registered or certified mail to the Beneficiaries and to take effect 20 days after such mailing. The Parties hereby accept the resignations of JASON WINTERS and ERIK STERLING as Co-Trustees of The Peter Mainstain 1992 Trust No. 1 dated May 28, 1992 effective immediately.

Dated: 10/6/2024, 2024 — DocuSigned by: JON CARRASCO
JON CARRASCO

Dated: 10/6/2024, 2024 — DocuSigned by: Stephen Roseberry
STEPHEN ROSEBERRY

Dated: 10/6/2024, 2024 — DocuSigned by: Jason Winters
JASON WINTERS

Dated: 10/6/2024, 2024 — DocuSigned by: Erik Sterling
ERIK STERLING

Dated: 10/7/2024, 2024 — Signed by:
GREG OLSEN

Dated: 10/6/2024, 2024 — Signed by:
KATHY IRELAND

DECLINATION TO ACT AS CO-TRUSTEE

NOW, THEREFORE, JON CARRASCO and STEPHEN ROSEBERRY do hereby each decline to act as a Co-Trustee of The Peter Mainstain 1992 Trust No. 1 dated May 28, 1992, as a result of the resignations of JASON WINTERS and ERIK STERLING.

Dated: 10/6/2024, 2024 — DocuSigned by: JON CARRASCO
JON CARRASCO

Dated: 10/6/2024, 2024 — DocuSigned by: Stephen Roseberry
STEPHEN ROSEBERRY

APPOINTMENT AND CONSENT TO ACT AS SUCCESSOR CO-TRUSTEES

NOW, THEREFORE, GREG OLSEN and KATHY IRELAND do hereby appoint themselves as successor Co-Trustees of The Peter Mainstain 1992 Trust No. 1 dated May 28, 1992, as a result of the Resignations of JASON WINTERS and ERIK STERLING, and as a result of the Declinations to Act of JON CARRASCO and STEPHEN ROSEBERRY, and hereby consent to serve in that capacity.

Dated: 10/7/2024, 2024

Signed by:
GREG OLSEN

Dated: 10/6/2024, 2024

Signed by:
KATHY IRELAND

4861-3261-7191. v. 1

Exhibit F

Mullen & Henzell L.L.P.
ATTORNEYS AT LAW

112 E. Victoria Street
Santa Barbara, California 93101

Phone: (805) 966-1501
Fax: (805) 966-9204
www.mullenlaw.com

e-mail: *jkatz@mullenlaw.com*

March 6, 2025

BY E-MAIL
vince.verde@ogletree.com

Vince M. Verde
Ogletree Deakins
Park Tower
695 Town Center Drive, 15th Floor
Costa Mesa, CA 92626

Re: The Peter Mainstain 1992 Trust #1

Dear Mr. Verde:

We write you as the lawyer for Jason Winters and Erik Sterling ("Your Clients"). Your Clients were the co-trustees of the Peter Mainstain 1992 Trust #1 (the "Trust"), until resigning as of October 6, 2024. I am writing on behalf of Kathy Ireland and Gregory Olsen, who are the Trustors and Beneficiaries of the Trust.

Pursuant to Probate Code section 16060, trustees have a duty to keep the beneficiaries reasonably informed of the trust and its administration. Pursuant to Probate Code section 16061, on reasonable request, trustees shall report to the beneficiary by providing requested information relating to the administration of the trust. Pursuant to Probate code section 16062, trustees shall account at least annually and upon a change of trustee. Pursuant to Probate Code section 16063, there is prescribed information that must be provided in any accounting.

The time for Your Clients to provide an accounting of their handling of the Trust assets is long overdue. We have since learned that there is in excess of $4.5 million in refinancing mortgage loans taken out against the real property that is an asset of the Trust. This loan was arranged by Your Clients and Your Clients took the loan proceeds for their own uses. The continued existence of this loan has serious adverse financial consequences for our clients, and reflects Your Clients' imprudent handling of the Trust's assets by taking money out of the Trust for purposes that are unknown to us and which would appear to be inconsistent with the terms of the Trust and provisions of the Probate Code.

Your Clients immediately must provide a full accounting for the Trust and turn over all of the books, records and accounts of the Trust relating to the loan described above, distributions and disbursements from the Trust, and use of any assets of the Trust. Should Your Clients fail to comply with our request within the next sixty days, we reserve the right to bring a petition for an accounting and to surcharge Your Clients pursuant to Probate Code section 17200(b)(6)(c) and (12). With respect to funds or loan proceeds that Your Clients diverted from the Trust, our clients reserve the right to bring an action and seek enhanced remedies and legal fees under Probate Code section 859.

Very truly yours,

Jared M. Katz of
Mullen & Henzell L.L.P.

4933-9135-7473, v. 2

Jared M. Katz, State Bar No. 173388
Mullen & Henzell L.L.P.
112 East Victoria Street
Santa Barbara, CA 93101-2019
Telephone: (805) 966-1501
Facsimile: (805) 966-9204
Email: *jkatz@mullenlaw.com*

Attorneys for Petitioners
Barbara Ireland, Trustee; Erik Olsen, Beneficiary; and Kathleen M. Ireland and Gregory P. Olsen, Trustors

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SANTA BARBARA—ANACAPA DIVISION

In the Matter of OLSEN AND IRELAND 1997 INSURANCE TRUST	Case No. **PETITION AGAINST FORMER CO-TRUSTEES JASON WINTERS, ERIK STERLING, AND STEPHEN ROSEBERRY FOR:** **1. ACCOUNTING;** **2. BREACH OF TRUST/FIDUCIARY DUTY;** **3. RECOVERY OF TRUST FUNDS, DAMAGES AND FEES UNDER PROBATE CODE §§ 850, ET SEQ.** **4. FINANCIAL ELDER ABUSE** Date: Time: 9:00 a.m. Dept: 5 Judge: Hon. Colleen Sterne

Petitioners Barbara Ireland ("Barbara"), Trustee, Erik Olsen, Beneficiary; and Kathleen M. Ireland ("Kathy") and Gregory P. Olsen ("Greg"), Settlors and Initial Trustees (together, "Settlors"), of The Olsen and Ireland 1997 Insurance Trust (the "Trust"), hereby petition the Court as follows:

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I. INTRODUCTION

1. This Petition concerns serious breaches of trust and defalcations committed by individuals who, for more than three decades, occupied positions of profound confidence and control over Petitioner's financial affairs. While a separately filed civil action addresses a broader scheme of mismanagement, concealment, and diversion of assets carried out over many years, this proceeding focuses specifically on Respondents' misconduct in their roles as Trustees of the instant Trust. Entrusted with safeguarding substantial trust assets for the benefit of Petitioner and her family, Respondents instead engaged in conduct inconsistent with the most basic fiduciary obligations imposed by California law. Through self-dealing, unauthorized encumbrances, and failure to account, they depleted and imperiled trust property.

2. This is an action for an accounting, to address breaches of trust and fiduciary duty and for surcharges, and for the intentional wrongful taking of trust property by Respondents Jason Winters, Erik Sterling, and Stephen Roseberry (together, "Respondents"). Petitioners now seek a full accounting, surcharge, restoration of trust assets, and all statutory remedies available under the Probate Code.

II. BACKGROUND ALLEGATIONS

3. On or about December 20, 1997, Kathleen M. Ireland and Gregory P. Olsen, as Trustors, and Jason Winters, Erik Sterling, Peter Mainstain, and Barbara Ireland, as the initial Trustees, executed the Olsen and Ireland 1997 Insurance Trust (the "Trust"). A copy of which is attached hereto as Exhibit A.

4. On or about June 28, 2016, Peter Mainstain resigned as Trustee of the Trust. A copy of the resignation is attached as Exhibit B.

5. On or about July 22, 2016, Stephen Roseberry accepted the designation of Co-Trustee.

6. While Barbara Ireland (mother of Kathleen M. Ireland) was a nominal co-trustee, all of the trust administration, management and control was delegated to and controlled by the others, *i.e.*, the Respondents. The Respondents did not include her or share with her information about the administration of the Trust.

7. The primary trust assets were certain whole life insurance policies, arranged for by Respondents Erik Sterling and/or Jason Winters, insuring the lives of Kathleen M. Ireland and Gregory P. Olsen for the benefit of their children, including, without limitation, their son Petitioner Erik Olsen, issued by Metropolitan Life Insurance Company, including the following policies with said face amounts:

a. Policy No. 977901346PR, insuring Gregory P. Olsen and Kathleen M. Ireland for $10,000,00;
b. Policy No. 977901347 PR, insuring Kathleen M. Ireland for $1,500,000;
c. Policy No. 204168921PR-R, insuring Kathleen M. Ireland for $3,000,000;
d. Policy No. 206030317PR, insuring Kathleen M. Ireland for $10,000,000; and
e. Policy No. 977901364PR, insuring Gregory P. Olsen for $1,500,000 (together, the "Policies").

8. As Co-Trustees, Respondents Erik Sterling, Jason Winters, and then later Stephen Roseberry were responsible for the administration of the trust and protection of the trust property and the beneficiaries. In addition to being co-Trustees, Erik Sterling and Jason Winters also were the managers, powers of attorney and fiduciaries of Petitioners and Settlors Kathleen M. Ireland and Gregory P. Olsen entrusted with managing their finances. In such capacities, among other things, Erik Sterling and Jason Winters handled and controlled all of the personal, business and trust finances of and related to Kathy and Greg. Stephen Roseberry worked together with Erik Sterling and Jason Winters as their assistant and/or agent and their adopted adult son. In these capacities as well, Respondents owed additional fiduciary duties in addition to the fiduciary duties owed as Co-Trustees.

9. Petitioners relied in good faith on Respondents to act in the best interests of the Trust and of the beneficiaries, settlors, and co-trustees, consistent with their fiduciary duties and representations that they were doing so. As fiduciaries, Respondents owed Petitioners the utmost duties of good faith, loyalty, care and confidence. For instance, among other things, Respondents owe duties to handle the trust assets with care and competence; to be impartial and avoid conflicts of interest; to protect the assets and keep trust property separate from their own; to keep Petitioners

informed, maintain books and records; to provide accurate reports on financial transactions; and to follow the provisions of the trust instrument and the duties imposed under California law.

10. Respondents failed in their duties, however, as set forth herein, and their conduct equates to, at least, gross negligence, willful malfeasance, fraud and/or dishonesty. Respondents failed to keep Petitioners apprised of the manner in which they were administering the life insurance constituting the property of the Trust.

11. Beginning 2008, Respondents stopped paying premiums owed on the policies and started taking loans against the Policies. They requested and/or permitted loans accruing interest be taken out against one or more of the subject Policies to be applied to satisfy the premium obligations. Respondents did not advise Petitioners or the beneficiaries of what they were doing or that their actions would cause adverse tax and financial consequences to Petitioners.

12. Additionally, over the years, Respondents took a number of loans against the Policies, which were distributed by check or wire transfer to the Trust and/or Respondents. Respondents then took the money and used the money for purposes presently unknown to Petitioners, including for purposes unrelated to the purposes of the Trust.

13. For instance, upon information and belief, with respect to Policy No. 977901346PR alone, between April 21, 2008, and August 5, 2024, the co-trustees Erik Sterling, Jason Winters and/or Stephen Roseberry caused loans totaling an outstanding balance of approximately $2,923,420.10 to be debited against the value of the policy.

14. This loan included not only loans used to pay policy premiums, but also disbursements by check of hundreds of thousands of dollars to Erik Sterling, Jason Winters, and/or Stephen Roseberry which funds were taken and used by them.

15. As a few examples, for instance, and without limitation, between August 7, 2009, and November 2, 2022, upon information and belief, the following disbursements were made:

a. $2,000 by wire transfer;

b. $80,000.00 by wire transfer;

c. $90,000.00 by check;

d. $60,000.00 by check;

e. $80,000.00 by check;

f. $10,000.00 by check;

g. $20,000.00 by check;

h. $100,000.00 by check.

16. Respondents did not repay the foregoing disbursements, resulting in additional interest being charged against the loans, increasing the amount owed.

17. Additionally, upon information and belief, Respondents caused the additional following outstanding loans to be taken against the policies:

a. Approximately $573,413,84 against Policy No. 977901347PR;

b. Approximately $720,466.72 against Policy No. 204168921PR;

c. Approximately $687,983.79 against Policy No. 977901364PR;

d. Approximately $2,703,013.87 against Policy No. 206030317PR.

18. Consequently, based on information and belief, Respondents permitted loans to be debited against the life insurance policies held by the Trust in amounts well exceeding approximately $7 million.

19. Moreover, the Respondents were in breach in recommending these types of policies be purchased by Kathy and Greg, falsely assuring them that they were an investment vehicle creating wealth for them.

20. Petitioners were not sophisticated or knowledgeable about these types of whole life policies as financial products, relying on the claimed expertise of Respondents to provide them guidance. Indeed, some or all of the Respondents bragged to Petitioners about their expertise and acumen in recommending and arranging for the purchase of and managing the Policies, seeking to be commended for their skilled management of the trust assets. When Kathy asked about the trust, rather than provide accurate and transparent information as required of fiduciaries, she was told summarily by Respondents that these were the best policies which (along with other supposed investments made for them by Respondents) were providing great personal wealth to Kathy and Greg.

21. Such statements were false, however, as these policies provided no wealth or investments for Petitioners. To the contrary, Winters and Sterling never told Kathy and Greg what they were doing, or that they were creating huge debt and adverse tax implications for them. As a result of their deception and incompetence, and accruing massive loans against each of the policies, Winters and Sterling left Kathy and Greg in the untenable position of being unable to maintain the policies and unable to surrender them due to the staggering tax liabilities that would result.

22. Respondents have never been transparent in their reporting to Petitioners and have never provided accountings to Petitioners.

23. On or about October 6, 2024, Respondents Winters, Sterling, and Roseberry resigned, leaving Barbara Ireland as the sole remaining Trustee. A copy of the written resignation is attached hereto as Exhibit C.

Request for An Accounting

24. On March 10, 2025, the undersigned counsel wrote to counsel for Respondents asking for an accounting with respect to the Trust assets including, without limitation, the loans taken out against the insurance policies constituting the assets of the Trust. A copy is attached as Exhibit D.

25. Respondents ignored the request, however, failing to provide the requested accounting or other information concerning their administration of the Trust.

26. Consequently, Petitioners are compelled to initiate the instant probate proceeding to vindicate their rights with respect to the Trust.

III. JURISDICTION AND VENUE

27. The Trust is governed by the laws of the State of California. Under Probate Code sections 17000 and 17004, the Superior Court of California has exclusive jurisdiction over the proceedings concerning the internal affairs of the Trust and has concurrent jurisdiction of all actions and proceedings involving the Trustee and beneficiaries.

28. In accordance with the provisions of Probate Code sections 17002 and 17005(a)(2), the proper county for the commencement of this proceeding is where the principal place of administration is located, which is where the day-to-day activities of the Trust are carried on by the Trustee. Santa Barbara County, and in particular South Santa Barbara County, California, is the

proper county in which to file this Petition because it is where the current sole Trustee, Barbara Ireland, a long-time resident of Santa Barbara, administers the Trust.

IV. STATEMENT OF REQUESTED RELIEF

FIRST CLAIM FOR RELIEF FOR AN ACCOUNTING BY RESPONDENTS STERLING, WINTERS, AND ROSEBERRY

29. The foregoing recitals are hereby incorporated by reference.

30. Pursuant to Probate Code section 16062, "the trustee shall account at least annually . . . and upon a change of trustee, to each beneficiary to whom income or principal is required or authorized in the trustee's discretion to be currently distributed."

31. Pursuant to Probate Code section 16061, a trustee "shall report to the beneficiary by providing requested information to the beneficiary relating to the administration of the trust relevant to the beneficiary's interest" when the beneficiary makes a reasonable request. Beneficiary Erik Olsen's request for accountings was reasonable in light of the circumstances herein alleged.

32. Respondents Sterling, Winters, and Roseberry were and are obligated, but have failed, to provide accountings for the entirety of the time periods in which they administered the Trust.

33. Respondents Sterling, Winters, and Roseberry failed to provide the requested accounting upon their resignation and in response to the March 6, 2025 demand made upon them.

34. Consequently, Petitioners request that the Court order Respondents Sterling, Winters, and Roseberry to provide a full and complete accounting, for each and every year in which they served as one of the trustees of the Trust, pursuant to Probate Code sections 16062 and 16063, and alternatively pursuant to Probate Code section 17200, subdivision (b)(7)(B), because Respondents failed to respond to a beneficiary's request, and/or section 17206 because an accounting is necessary to act on the other relief requested herein.

35. Additionally, Respondents should be surcharged for any and all amounts for which they cannot duly account, along with interest accruing at the legal rate.

SECOND CLAIM FOR RELIEF FOR BREACH OF TRUST
AND FIDUCIARY DUTY AND SURCHARGE
AGAINST RESPONDENTS STERLING, WINTERS, AND ROSEBERRY

36. The foregoing recitals are hereby incorporated by reference.

37. When acting as Co-Trustees, Respondents Sterling, Winters, and Roseberry were fiduciaries obligated to act in the utmost good faith and to comply with the express terms of the Trust, the implied covenant of good faith and fair dealing, and the provisions of California law and the California Probate Code.

38. In doing the acts alleged above, Respondents Sterling, Winters, and Roseberry engaged in a breach of trust and violated their fiduciary duties and the governing provisions of the California Probate Code.

39. Consequently, Petitioners are entitled to recovery or monetary damages resulting from such breaches, and Respondents should be surcharged as a result of said breaches, in an amount to be proved at trial, along with pre-judgment interest.

40. Upon information and belief, Respondents Sterling, Winters, and Roseberry wrongfully caused loans to be advanced against the Policies causing harm to Petitioners. Respondents Sterling, Winters, and Roseberry concealed from Petitioners that they intended to convert the funds and never intended to repay the funds to the Trust.

41. Petitioners contend that Respondents should be surcharged for all of the loans taken from the policies for which they cannot duly account, along with interest and resulting damages.

42. Respondents Sterling, Winters and Roseberry have acted with dishonesty, fraud, malice and oppression, and are liable for exemplary damages pursuant to Civil Code section 3294.

THIRD CLAIM FOR RELIEF FOR RECOVERY OF
TRUST PROPERTY, DAMAGES, FEES AND COSTS
AGAINST RESPONDENTS STERLING, WINTERS, AND ROSEBERRY

43. The foregoing recitals are hereby incorporated by reference.

44. Probate Code section 850 provides that a trustee or any other interested person may file a petition with the probate court where the trustee has a claim to real or personal property, title to or possession of which is held by another.

45. In doing the acts alleged above, Respondents Sterling, Winters, and Roseberry violated Probate Code section 850 by taking property of the Trust, *i.e.*, loan proceeds generated from the life insurance policies.

46. Consequently, Petitioners are entitled to recovery of monetary damages resulting from such conduct in an amount to be proved at trial, along with pre-judgment interest.

47. Probate Code section 859 provides that when a person has in bad faith wrongfully taken, concealed, or disposed of property belonging to a trust, "the person shall be liable for twice the value of the property recovered by an action under this part." Consequently, Petitioners are entitled to recovery of double damages against Respondents.

48. In addition, under Probate Code section 859, "the person may, in the court's discretion, be liable for reasonable attorney's fees and costs." Accordingly, Petitioners seek recovery of their reasonable attorney's fees and costs incurred in bringing this action from Respondents.

FOURTH CLAIM FOR RECOVERY FOR
FINANCIAL ELDER ABUSE BY PETITIONER
GREG OLSEN AGAINST RESPONDENTS

49. Petitioners incorporate by reference each and every allegation contained in the preceding paragraphs, as though fully set forth herein.

50. Pursuant to Welfare and Institutions Code section 15610.27, an "elder" is any person residing in the State of California who is more than 65 years of age. Petitioner Greg Olsen is an "elder" as defined by Welfare and Institutions Code section 15610.27, in that he is over the age of 65 years and resides in the state of California.

51. Pursuant to Welfare and Institutions Code section 15610.30(a), financial abuse occurs when a person or entity "[t]akes, secretes, appropriates, obtains, or retains real or personal property of an elder ... for a wrongful use or with intent to defraud, or both," or "by undue influence, as

defined in Section 15610.70." A wrongful use occurs when the defendant "knew or should have known that [its] conduct is likely to be harmful to the elder." (Welf. & Inst. Code, § 15610.30(b).) A defendant is deemed to have engaged in conduct violating the Act "when an elder is "deprived of any property right … regardless of whether the property is held directly or by a representative of an elder." (Welf. & Inst. Code, § 15610.30(c).)

52. Respondents' actions alleged above with respect to Greg Olsen violate the above-cited provisions of the Welfare and Institutions Code section 15610.30. Respondents continue to withhold the funds presently due and owing to Greg.

53. As alleged above, all Respondents engaged in a conspiracy to falsely induce Petitioners, including Greg Olsen, to continue to entrust them with their finances and wrongfully use Petitioners' money and assets of the Trust for Respondents' own benefit and for purposes inconsistent with the Trust. Accordingly, all Respondents are jointly and severally liable to Petitioners for the acts of each other Respondent.

54. Respondents took, secreted, appropriated, obtained, or retained the property of Petitioner Greg Olsen for wrongful use with intent to defraud and by undue influence, within the meaning of Welfare and Institutions Code section 15610.30(a).

55. Respondents knew or should have known their conduct was likely to be harmful to an elder, i.e., Petitioner Greg Olsen.

56. Respondents' conduct is a substantial factor in causing harm to Petitioner Greg Olsen.

57. As a proximate result of Respondent's conduct, Petitioner Greg Olsen suffered financial loss and emotional distress.

58. Pursuant to Welfare and Institutions Code section 15657.5, Petitioner Greg Olsen is entitled to recover compensatory damages, attorneys' fees, and costs.

59. Respondents' conduct was malicious, oppressive, and fraudulent. Petitioner Greg Olsen is entitled to exemplary damages pursuant to California Civil Code section 3294 and Welfare and Institutions Code section 15657.5(b).

60. Petitioner Greg Olsen is entitled to treble damages under Civil Code section 3345.

61. Plaintiff Greg Olsen is entitled to recover pre- and post-judgment interest.

62. Plaintiff Greg Olsen is entitled to recover monetary damages according to proof at trial, along with interest and attorney's fees and costs.

V. NOTICE

63. In accordance with Probate Code section 17203(a)(2), notice of the hearing on this Petition will be given to all of the following interested parties.

Name and Address	Interest in Trust
Jason Winters 56 Dartmouth Dr. Ranch Mirage, CA 92270	Former Co-Trustee
Erik Sterling 56 Dartmouth Dr. Ranch Mirage, CA 92270	Former Co-Trustee
Stephen Roseberry 2345 Miller Drive Los Angeles, CA 90069 PO Box 1410 Rancho Mirage Riverside, CA 92270	Former Co-Trustee
Lily Marie Ireland Olsen PO Box 5353 Santa Barbara, CA 93150	Beneficiary
Chloe Kathleen Ireland Olsen PO Box 5353 Santa Barbara, CA 92270	Beneficiary
Vince Verde Ogletree Deakins Park Tower 695 Town Center Drive Fifteenth Floor Costa Mesa, CA 92626	Attorneys for Jason Winters and Erik Sterling

64. No request for special notice has been filed in this proceeding.

65. This Petition does not relate to a charitable trust subject to the jurisdiction of the Attorney General. No notice to the Attorney General is required or given.

VI. PRAYER FOR RELIEF

Based on the foregoing, Petitioners pray for an Order of this Court as follows:

A. Finding that notice of the hearing on this Petition has been given in the manner required by law;

B. Finding that all allegations of the Petition are true;

C. Compelling Respondents Sterling, Winters, and Roseberry to provide a code-compliant accounting for the entire time in which they served as Co-Trustees;

D. Surcharge and monetary damages in the amount of the loan proceeds credited against the Policies and/or disbursed to Respondents Sterling, Winters, and Roseberry, in an amount to be proven at trial;

E. Monetary damages in an amount to be proved at trial up to or exceeding the full amount of the loans and consequential damages;

F. Double damages pursuant to Probate Code section 859 in an amount to be proven at trial;

G. Treble damages pursuant to Civil Code section 3345 in an amount to be proven at trial;

H. Punitive damages pursuant to Civil Code section 3294;

I. Pre-judgment interest at the legal rate of 10% per annum simple interest on all liquidated sums found to be due and owing from Respondents;

J. Attorney's fees and costs pursuant to Probate Code section 859, Welfare and Institutions Code section 15657.5, and as otherwise permitted by law;

K. Such other relief as is just and equitable.

Dated: March 3, 2026

Mullen & Henzell L.L.P.

By: Jared M. Katz

Jared M. Katz
Attorneys for Petitioners
Barbara Ireland, Trustee; Erik Olsen, Beneficiary; and Kathleen Ireland and Gregory P. Olsen, M.D., Trustors

27111.0001

VERIFICATION

I, Kathleen Ireland, declare:

I am a Petitioner in the foregoing matter. I have read the foregoing which was prepared by counsel on my behalf and I know the contents thereof. It is true of my own knowledge, except as to those matters which are alleged on information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury under the law of the State of California that the foregoing is true and correct.

Executed on 3/2/2026 ____________________, 2026, at Santa Barbara, California.

Signed by:

Kathleen Ireland

VERIFICATION

I, Gregory P. Olsen, declare:

I am a Petitioner in the foregoing matter. I have read the foregoing which was prepared by counsel on my behalf and I know the contents thereof. It is true of my own knowledge, except as to those matters which are alleged on information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury under the law of the State of California that the foregoing is true and correct.

Executed on 3/2/2026, 2026, at Santa Barbara, California.

Signed by:

2438068CD4D1494...

Gregory P. Olsen

VERIFICATION

I, Erik Olsen, declare:

I am a Petitioner in the foregoing matter. I have read the foregoing which was prepared by counsel on my behalf and I know the contents thereof. It is true of my own knowledge, except as to those matters which are alleged on information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury under the law of the State of California that the foregoing is true and correct.

Executed on Signed by: Erik Gregory Ireland Olsen 0619AAA85D3F487, 2026, at ____________________.

Signed by: Erik Gregory Ireland Olsen 0619AAA85D3F487

Erik Olsen

VERIFICATION

I, Barbara Ireland, declare:

I am a Petitioner in the foregoing matter. I have read the foregoing which was prepared by counsel on my behalf and I know the contents thereof. It is true of my own knowledge, except as to those matters which are alleged on information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury under the law of the State of California that the foregoing is true and correct.

Executed on 3/2/2026, 2026, at Santa Barbara, California.

Signed by:

DFAC3AEE4A354C0

Barbara Ireland

LIST OF EXHIBITS TO PETITION

Exhibit	Description
A	Trust Instrument
B	2016 Resignation of Peter Mainstain as Co-Trustee
C	2024 Resignation
D	March 2025 Demand for Accounting

Exhibit A

OLSEN AND IRELAND 1997 INSURANCE TRUST

OLSEN AND IRELAND 1997 INSURANCE TRUST

THIS TRUST AGREEMENT creating the OLSEN AND IRELAND 1997 INSURANCE TRUST (the "Trust") is made on Dec 20, 1997, by and among DR. GREGORY OLSEN and KATHY IRELAND, as Trustors, and BARBARA IRELAND, JASON WINTERS, ERIK STERLING and PETER MAINSTAIN, as Trustees (hereinafter referred to as "Trustee").

1. TRUST PROPERTY AND DIVISION OF TRUST.

(a) Trustors hereby transfer and deliver to the Trustee the property described in the Declaration of Trust attached hereto and incorporated herein by this reference, in trust, upon the terms and conditions set forth herein. It is contemplated that the Trustee may, but is not required to, purchase and own all right, title and interest in and to one or more life insurance policies or rights thereunder insuring the lives of Trustors (such insurance policies and rights being hereinafter collectively referred to as the "Policies"). The Policies, the assets initially transferred to the Trust, and any other assets hereinafter added to the Trust (including the proceeds from any or all of the Policies) shall hereinafter collectively be referred to as the "Trust Estate." The Trust Estate shall be held, administered and distributed as herein provided.

(b) Trustors hereby agree to and do relinquish all rights and powers in the Policies which they, or either of them, may now have or hereafter acquire. At the request of the Trustee, the Trustors shall execute any and all instruments reasonably required to effectuate such relinquishment. The Trustee, in the Trustee's fiduciary capacity only, shall be vested with all rights, powers, options, and privileges in and to the Policies, and may exercise any and all of such rights, powers, options, and privileges as fully as any owner of such Policies might do, including without limitation, the right to convert any of the Policies into other policies, or to exercise any options under the Policies. Trustor agrees to execute any and all instruments necessary to confirm the Trustee's exclusive powers to so exercise any rights, powers, options or privileges under the Policies.

2. ADMINISTRATION WHILE EITHER TRUSTOR IS LIVING.

From the inception of this Trust until the death of the second of the Trustors to die (the "Surviving Trustor"), the Trustee shall administer and distribute the Trust Estate as follows:

(a) The net income of the Trust Estate (including, but not limited to, any dividends from and interest on the Policies) shall be accumulated and added to principal.

(b) BARBARA IRELAND, JOHN IRELAND, BARBARA OLSEN, PHIL OLSEN, and the Trustors' issue living from time to time shall have the following limited rights of withdrawal:

(1) Whenever property is contributed to the Trust (and accepted by the Trustee), and if the donor so instructs the Trustee in writing, each beneficiary identified by the donor in such writing shall have the absolute right, commencing on the date of such contribution and continuing for the next thirty (30) days, to withdraw the amount specified by the donor. The donor shall have the absolute right to determine the amount which may be withdrawn by each beneficiary and may provide that one or more or all of the beneficiaries may not withdraw any portion of such contribution. The Trustee, in the Trustee's discretion, may satisfy such withdrawal right, in whole or in part, by distribution of cash or of property of equivalent fair market value. Unless otherwise specified by the donor in writing, each contribution of property to the Trust shall be deemed to be added in equal shares to each trust created hereunder.

(2) Promptly after receipt of such property and written instruction, the Trustee shall notify the appropriate beneficiaries in writing of the receipt of the property and of such beneficiary's right of withdrawal as set forth above.

(3) To the extent that such right is not exercised within thirty (30) days following such contribution, such right shall lapse.

(4) Notwithstanding Paragraph 2(b)(3) above, if during any calendar year a beneficiary holds withdrawal powers under this document but not under any other document, all withdrawal powers held by such beneficiary under this document shall lapse in any calendar year only to the extent of the greater of Five Thousand Dollars ($5,000) or five percent (5%) of the Trust property subject to the power or powers, which

shall include property added to the Trust after the creation of a particular power or powers.

(5) Further notwithstanding Paragraph 2(b)(3) above, if during any calendar year a beneficiary holds withdrawal powers under this document and under any other document, no withdrawal power under this document shall lapse unless the total of all other lapsed powers during the calendar year is less than the greater of Five Thousand Dollars ($5,000) or five percent (5%) of the trust property subject to such powers. In such event, the amount of the withdrawal power under this document which shall lapse shall be the amount by which the greater of Five Thousand Dollars ($5,000) or five percent (5%) of the trust property subject to such powers exceeds the total of all other powers of withdrawal which previously lapsed during the calendar year.

(6) The lapse or partial lapse of a power of withdrawal under this document in a year other than the year of the creation of such power shall occur on the same date as the lapse or partial lapse of any new power created for such beneficiary under this document in said year or, if no such new power is created, on the last day of said year, and each power then in existence shall lapse pro rata based upon the aggregate amount subject to all powers held by the beneficiary.

(7) Withdrawal rights under this document may be exercised only by a written document delivered to the Trustee and executed by such beneficiary or by his or her legal guardian or conservator. If there is no legal guardian of a minor beneficiary, such power may be exercised by the parent of such minor beneficiary, provided such parent certifies in writing that he or she is acting on behalf of such beneficiary and is receiving such distribution for the beneficiary's sole benefit. Notwithstanding the foregoing, if under the preceding sentence either Trustor would be the person to exercise the withdrawal rights of a minor beneficiary, then instead of the Trustor, the next successor Trustee (or, as the case may be, one of the successor Co-Trustees) shall exercise such withdrawal right on behalf of such minor beneficiary. While such withdrawal right is outstanding and may be exercised, the Trustee shall retain sufficient assets in the trust to satisfy such right of withdrawal should it be exercised.

3. ADMINISTRATION AFTER DEATH OF THE SURVIVING TRUSTOR.

Upon the death of the Surviving Trustor and the collection of the proceeds of any Policies held by the Trust, the Trust Estate and any other property subsequently added thereto, whether by testamentary or inter vivos transfer, shall be divided into separate equal shares. One (1) such equal share shall be allocated to each then living child of the Trustors, and one (1) such equal share shall be allocated to each group composed of the then living issue of a deceased child of the Trustors. Each share allocated to a group composed of the then living issue of a deceased child shall be further divided among such then living issue by right of representation. Each share or partial share allocated hereunder shall be held, administered and distributed in a separate trust as follows:

(a) The net income of each beneficiary's trust shall be paid to or applied for the benefit of such beneficiary in monthly or more convenient installments (but not less often than quarter-annually); provided, however, that if any such beneficiary has not attained the age of twenty-four (24) years, the Trustee shall pay to or apply for the benefit of such beneficiary so much of the net income of such beneficiary's trust as the Trustee, in its discretion, shall deem appropriate for such beneficiary's support, health, maintenance, and education. Any net income not so distributed shall be accumulated and added to the principal of such beneficiary's trust.

(b) If the Trustee, in its discretion, shall deem the payments pursuant to Paragraph 3(a) insufficient to provide for the proper support, health, maintenance and education of any beneficiary of a trust hereunder, the Trustee shall, from time to time, pay to or apply for the benefit of such beneficiary so much of the principal of such beneficiary's trust as the Trustee shall deem appropriate for such purposes.

(c) The Trustors desire that the guardian of the person of any minor issue of the Trustors not incur personal expense in the support and maintenance of such beneficiary. The Trustee is authorized to disburse funds from such beneficiary's trust for the purpose of reimbursing such guardian for reasonable expenses incurred in supporting or maintaining such beneficiary or for the support or health of any guardian or a minor dependent of any guardian, if the Trustee deems these disbursements to be in the best interests of the beneficiary. The Trustee shall construe this authority liberally to permit payments reasonably necessary to ease the financial burden on such guardian resulting from such beneficiary's presence in such guardian's household.

(d) One-third of the principal of a beneficiary's trust shall be distributed to the beneficiary when the beneficiary attains the age of twenty-four (24) years. One-half of the remaining balance of a beneficiary's trust shall be distributed to the beneficiary when the beneficiary attains the age of thirty (30) years. The entire remaining balance of a beneficiary's trust shall be distributed to the beneficiary when the beneficiary attains the age of thirty-five (35) years.

(e) Upon the death of a beneficiary for whom a trust is held hereunder before the beneficiary attains the age of thirty-five (35) years, the then remaining balance of such beneficiary's trust shall be allocated to the beneficiary's then-living issue by right of representation, and if there are no such issue, then to the then-living issue of the deceased beneficiary's parent who was an issue of the Trustors by right of representation, and if there are no such issue, to the Trustors' then-living issue by right of representation. Each share set aside pursuant to the provisions of this Paragraph 3(e) shall be held and administered as a separate trust in the same manner as the trusts provided for in this Paragraph 3. Any trust set aside pursuant to this Paragraph 3(e) for a person for whom another trust is then held hereunder shall be added to and shall augment such other trust.

(f) Notwithstanding any provision of this instrument to the contrary, the Trustees are authorized to withhold or defer the distribution of income or principal to a child of the Trustors from the Child's trust (whether such distribution is mandatory or discretionary in nature) if to withhold or defer such distribution is necessary to protect the child because (1) the child is suffering from a severe physical, mental, or emotional condition, or alcohol or drug addiction, which renders him unable to properly manage the property to be distributed to him, or (2) the trustees, in their discretion, believe the proposed distribution would severely impair the child's self-esteem, or motivation to become productive and self-sustaining. Notwithstanding any provision in this instrument to the contrary, the determination of whether to withhold or defer a proposed distribution of income and principal shall be made by a unanimous vote of the Trustees. If any one of the Trustees then in office believes the proposed distribution should be made, then the distribution shall be made over the objection over the remaining Trustees. If a child dies after attaining age 35 and, at the child's death, any portion of the child's trust is being retained for the child pursuant to this provision, then the deceased child's trust shall pass according to the terms of subparagraph 3(e) of this instrument, substituting the actual age of the child at death (plus one year) for age 35.

(g) Any portion of the Trust Estate not otherwise disposed of hereunder shall be distributed, free of trust, one-half (½) to those persons who would then be the heirs of Trustor DR. GREGORY OLSEN and one-half (½) to those persons who would then be the heirs of Trustor KATHY IRELAND, the identities and respective shares of such persons to be determined as though the deaths of the Trustors had then occurred leaving no spouse surviving, and according to the laws of the State of California then in effect and pertaining to the succession of separate property not acquired from a parent, grandparent or predeceased spouse.

4. <u>GENERAL PROVISIONS</u>.

(a) Unless sooner terminated in accordance with any other provision hereof, all trusts created hereunder shall cease and terminate upon the date twenty-one (21) years after the death of the Surviving Trustor and those of the Trustors' parents' issue living at the creation of this Trust. The principal and undistributed income of a terminated trust shall be distributed to then income beneficiaries of that trust in the same proportion that the beneficiaries are entitled to receive income at the time the trust terminates. If, at the time of such termination, the rights to income are not fixed by the terms of such trust, then distribution under this clause shall be made by right of representation to the persons who are entitled or authorized to receive, in the Trustee' discretion, payments of income.

(b) Except with respect to Paragraph 2, any income or principal payable to a beneficiary, or any other interest of a beneficiary under any provision hereof, shall not be pledged, assigned, sold, mortgaged, encumbered, disposed, charged or otherwise transferred, all or in part, by any beneficiary.

(c) There need be no physical segregation or division of the assets of the various trusts provided for herein, except as segregation or division may be required by the termination of any of the trusts, but the Trustee shall keep separate accounts for the different undivided interests.

(d) Whenever provision is made to pay for the education of a beneficiary, the term "education" shall include elementary, secondary, college and post-graduate study as long as, in the Trustee's discretion, it is pursued to the advantage of the beneficiary. In determining payments to be made to the beneficiary for education, the Trustee shall consider all reasonably related living and traveling expenses. In addition, the exercise of discretion to distribute income or principal for the support, health, or maintenance of a beneficiary shall extend to, but not be limited to, the power to distribute income or principal for the purpose of acquiring a home or an equity interest therein for such beneficiary, or for the purpose of investing in a professional career or business for such beneficiary.

(e) In making discretionary distributions to or for the benefit of beneficiaries hereunder, the Trustee shall take into consideration, to the extent the Trustee deems advisable, such beneficiaries' income or resources outside of the Trust of which the Trustee has actual knowledge.

(f) If the time fixed for the distribution of any part of the principal of any trust shall have passed prior to the establishment of such trust, such distribution shall be made forthwith upon the establishment thereof.

(g) For purposes hereof, the term "issue" shall specifically include any adopted person, provided that such adopted person lived for a significant period during his or her minority as a member of the household of any of Trustors' descendants. Such term shall also include persons naturally born in or out of wedlock if the person lived for a significant period during minority as a member of the household of the natural parent who is a descendant of Trustors, and an adoption of that person by another within or outside the family shall be disregarded for purposes of this Trust.

(h) The Trustee may make payments to any beneficiary under disability by making them to the guardian or conservator of the person of the beneficiary or to the parent of a minor beneficiary, or to the Trustee (or other adult selected by the Trustee) as custodian for the minor until age twenty-one (21) under the California Uniform Transfers to Minors Act, or may apply them for the beneficiary's benefit. Sums necessary for support and education may be paid directly to minor beneficiaries who, in the judgment of the Trustee, have attained sufficient age and discretion to render it probable that the monies will be properly expended.

(i) If the Trustee determines, in the Trustee's discretion, that Chapter 13 (the "Generation-Skipping Transfer Tax") of the Internal Revenue Code of 1986 (the "Code"), may be applicable to any trust created hereunder, then the following provisions shall be applicable to each such trust:

(1) Allocation of Exemptions. The Trustee under this instrument, in the Trustee's discretion, shall allocate the exemptions available to the Trustors (and file all appropriate elections related thereto) under the provisions of Section 2631 of the Code, among the several trusts in question, as the Trustee, in the Trustee's discretion, determines to be appropriate.

(2) Inclusion Ratio. Notwithstanding any contrary provision hereof, if any trust created hereunder shall be allocated (either initially or as a result of additions thereto) an inclusion ratio (as defined in Section 2642 or successor provision of the Code) other than either one (1) or zero (0), then the Trustee of such trust shall divide any such trust into two separate trusts (to be administered on all of the same terms and conditions set forth herein, except as provided hereinafter), such that the inclusion ratio for one such trust shall be zero (0) (the "Exempt Trust") and the inclusion ratio for the other such trust shall be one (1) (the "Non-Exempt Trust").

(3) Payment of Income. The Trustee, in the Trustee's discretion, may pay to a beneficiary the amount of income due to such beneficiary hereunder entirely from the income and principal of the beneficiary's Non-Exempt Trust until such trust is exhausted.

(4) Discretionary Distributions of Principal. Any discretionary distributions of principal to a beneficiary shall be made first from the beneficiary's Non-Exempt Trust, to the extent the Trustee deems it practical to do so.

(5) Inter-Trust Transactions. The Trustee, in the Trustee's discretion, is authorized, to the extent the Trustee deems necessary to accomplish the order of distributions provided in this Paragraph 4(i), to cause the Exempt Trust to either purchase assets from the Non-Exempt Trust, or loan funds from the Exempt Trust to the Non-

Exempt Trust, at an appropriate rate of interest and on terms of repayment determined in the Trustee's discretion.

(6) Additions. Any assets added to a trust created hereunder which has been divided in the manner described above shall be added to each such portion of such trust in such a manner as not to change the inclusion ratio of such trust.

(7) Payment of Taxes. If any Generation-Skipping Transfer Tax shall become due from any trust created hereunder, the Trustee shall pay such tax from the principal and income of such trust prior to the distribution from such trust.

(8) Separateness of Exempt and Non-Exempt Trusts. Except as otherwise expressly provided in this Instrument:

(A) When a Trust is divided under the provisions of this Paragraph 4(i)(8) into Exempt and Non-Exempt Trusts or otherwise into separate Trusts, each trust shall have the same provisions as the original Trust (the "divided trust") from which it is established, and references in this Trust to that divided trust shall collectively refer to the separate trusts derived from it; nevertheless, the Trustee may exercise administrative and distributive discretion, and donees of powers of appointment may exercise their powers, differently with respect to each of the separate trusts (even otherwise identical trusts) derived from the divided trust.

(B) On termination, partial termination, division, subdivision or distribution of any of the various trusts created by this Trust, and when it is provided (or appears to be provided) in this Trust that various trusts are to be combined, the Non-Exempt or Exempt or even partially exempt (should any have an inclusion ratio between zero and one) Generation-Skipping Transfer Tax character of the property of the trusts shall be preserved.

(C) Accordingly, when property is to be added to or combined with the property of another trust or other trusts, or when additional trusts are to be established from one or more sources, Non-Exempt property or Trusts shall not be added to or combined with Exempt property or Trusts, even if this requires additional separate Trusts to be established with the same terms and provisions. (If, for example, the terms of a divided trust direct that on termination, or on nonexercise of a power of appointment, the Trust property is to be added to another trust, then the Exempt property of a separate trust that had been derived from the terminating trust shall be added only to an Exempt Trust derived from the recipient trust, and Non-Exempt property shall be similarly added only to a Non-Exempt recipient trust; and if no appropriate recipient trust exists for either Exempt or Non-Exempt property, then a new trust of that character shall be established with the same terms and provisions as those of the trust that would otherwise have received that property.) Furthermore, in any case not covered by the foregoing directions (such as that of a partially exempt trust), if the inclusion ratio of any property that is to be added to or combined with a trust has a different inclusion ratio than that trust, the Trustee shall refrain from making the addition or combination and shall instead establish for that property a trust with provisions identical to those of the trust to or with which the property would have been added or combined.

(9) Authority to Combine or Divide. The Trustee of any trust shall have sole discretionary authority to combine that trust with any other trust or trusts having the same inclusion ratio, including trusts established (during life or at death) by the Trustors or any of their issue; and the Trustee shall establish shares within a trust if and as necessary to preserve the rights and protect the interests of the various beneficiaries (such as when trusts being combined do not have identical terms) or if the Trustee otherwise believes that separate shares are desirable (such as because different portions of the Trust have different perpetuities periods). Conversely, the Trustee shall have sole discretionary authority to divide separate shares or separable portions of a trust and administer them as separate trusts. In addition (and as an exception to Paragraphs 4(i)(8)(B) and 4(i)(8)(C)), trusts with different inclusion ratios may be combined if the Trustee makes a discretionary judgment that economic efficiency or other considerations justify sacrificing their separate Generation-Skipping Transfer Tax characteristics. These powers to combine and divide trusts may be exercised from time to time, and may be used to modify or reverse their prior exercise. In deciding whether and how to exercise the authority granted in this Paragraph 4(i), the Trustee may take account of efficiencies of administration, generation-skipping and other transfer tax considerations, income tax

factors affecting the various trusts and their beneficiaries, present and future financial and other objectives of the trusts and beneficiaries, the need or desirability of having the same or different trustee for various trusts or shares, and any other considerations the Trustee may deem appropriate to these decisions.

(10) Efficient and Tax-Conscious Administration. It is the Trustors' intention to encourage the Trustee to administer separate trusts under this Trust in ways that, in the long run, are intended to reduce unnecessary income and transfer taxation among trusts and their beneficiaries and to make efficient utilization of available tax privileges, such as Generation-Skipping Transfer Tax exemptions. Without limiting the foregoing, the Trustors particularly authorize (but do not require) the Trustee, in administering the different trusts wholly or in part for the benefit of a particular beneficiary or group of beneficiaries, to adopt different investment strategies and objectives for different trusts based on their inclusion ratios, and to prefer making distributions from Non-Exempt Trusts to beneficiaries who are non-skip persons for Generation-Skipping Transfer Tax purposes and from Exempt Trusts to those who are skip persons. Consistent with these objectives, the Trustee of any trust may share information, consult, and in all reasonable ways coordinate decisions and actions with other Trustees and with personal representatives of a Trustor's estate, under other dispositions made by the Trustors, or either of them, and under the wills and trusts of others when the various estates or trusts have, in whole or in part, similar beneficiaries or objectives.

(11) "Favorable Interpretation" Clause. All provisions of this Trust shall be construed to provide for or to permit division, distribution and administration of the Trusts and other dispositions in a timely manner consistent with objectives of efficiently using available Generation-Skipping Transfer Tax exemptions and of establishing and maintaining trusts that have inclusion ratios of either zero or one and are thus entirely Exempt or entirely Non-Exempt.

5. POWERS AND DUTIES OF TRUSTEE.

To carry out the purposes of this Trust and subject to any limitations stated elsewhere in this instrument, the Trustee is vested with the following powers in addition to any now or hereafter conferred on trustee by law (including, without limitation, specific powers set forth in Sections 16220-16249 of the California Probate Code, as amended, or successor statutes, which powers are incorporated herein by this reference):

(a) To manage, control, sell, convey, exchange, partition, divide, subdivide, improve, repair; to enter into short sales of stock or other securities; to grant options and to sell upon deferred payments; to lease for terms within or beyond the duration of this Trust for any purpose, including exploration for and removal of gas, oil, or other minerals; to enter into community oil leases; to enter into split dollar agreements with respect to policies of life insurance included in the trust estate; and to sell interests in policies of life insurance included in the trust estate, equal to the cash value thereof, to the Trustors or to any corporation by which the Trustors shall be employed at a price representing adequate and full consideration for such interests.

(b) To retain property and to invest and reinvest as provided by law from time to time existing, without regard to diversification, including, but not limited to, the power to purchase policies of insurance on the lives of the Trustors; the power to buy and sell puts and calls on stock, commodities or other securities; and the power to acquire partnership interests as either a general or limited partner.

(c) Any individual Trustee, as distinguished from a corporate Trustee, is authorized at any time or from time to time to retain investment counsel to make recommendations to and assist him in exercising the general powers of investment granted to him under the provisions of this Paragraph 5. Reasonable compensation for all services performed by such investment counsel shall be paid by the trust estate as a cost of administration thereof, and shall not affect the compensation to which the Trustee shall be entitled.

(d) To borrow money for any trust purpose, including, but not limited to, the power to borrow money on behalf of one trust from any other trust created hereunder and to obligate the trust estate for repayment, and the power to buy and sell securities on margin and to maintain one or more margin accounts with a broker.

(e) To place, replace, renew or extend any encumbrance upon any real or personal property; to institute, compromise and defend actions and proceedings.

(f) To participate in voting trusts, pooling agreements, foreclosures, reorganizations, consolidations, mergers and liquidations, and in connection therewith, to deposit securities with and transfer title to any protective or other committee under such terms as the Trustee may deem advisable.

(g) To register or qualify for exemption from registration shares of stock in any corporation with any agency or agencies of any government (including, but not limited to, the Securities and Exchange Commission of the United States), to participate in any such registration, to apply for and to secure the approval of any agency of any government with respect to the sale of such shares, to sell such shares to the public or to private investors or to participate in the public or private sales of such shares, to enter into an agreement with respect to any such sale with any broker, issuer investment banker or underwriter, to incur and to pay all expenses necessary or appropriate in connection with any such registration, qualification or sale, and to take all other action necessary or appropriate in order to consummate any such sale.

(h) Upon any division or partial or final distribution of any trust, to partition, allot and distribute such trust in undivided interests or in kind, or partly in money and partly in kind, at valuations determined by the Trustee, and to sell such property as the Trustee may deem necessary to make division or distribution.

(i) To take any action and to make any election, in the Trustee's discretion, to minimize the tax liabilities of the Trust and its beneficiaries.

(j) The Trustee shall be entitled to reimbursement from the Trust Estate for all reasonable expenses incurred in managing and protecting the Trust Estate. The Trustee shall not be liable for any loss or expense suffered by the Trust Estate and arising out of conduct by the Trustee in carrying out the Trustee's duties hereunder, except such loss or expense as shall have been occasioned by the Trustee's gross negligence or willful misfeasance.

(k) To budget the annual income and expenses of the Trust in such manner as to equalize, as far as practicable, periodic income payments to beneficiaries.

(l) To invest the funds of each separate trust estate created hereunder either in property owned solely by the respective trust estates or in property owned jointly by all of the trust estates.

(m) If at any time two or more Trustees are acting, then any two Trustees so acting are required to execute checks, withdraw funds, deposit funds or take any action deemed appropriate in regard to checking accounts, savings accounts, certificates of deposits, or similar accounts. If only one Trustee is then acting, then only one signature is required.

(n) If a portion of the Trust Estate shall consist of the stock of a so-called "S Corporation," as defined in Section 1361 of the Internal Revenue Code of 1986, as amended or superseded, then the Trustee shall make all necessary elections and shall undertake all necessary actions, including, without limitation, petitioning the court having jurisdiction over the trust to modify the trust so that it will be qualified to hold shares of stock in an S corporation, making all distributions required, on a timely basis, or the allocation of the stock to one or more trusts created hereunder which qualify as a shareholder under Section 1361, or any successor thereto, so as to maintain such S corporation status of such corporation. It is Trustors' intent that, unless one or both of them notify the Trustee in writing to the contrary, any such S corporation status shall be continued to the extent possible, and any provision herein which shall be determined to prohibit such status from continuing shall be inapplicable to that portion of the Trust Estate consisting of such stock of such corporation. If the stock of any such S corporation is distributed hereunder, then the Trustee shall request that each distributee consult with Trustors' tax advisors concerning the advisability of continuing such S corporation status.

(o) The enumeration of certain powers of the Trustee shall not limit his general powers, the Trustee subject always to the discharge of his fiduciary obligations, being vested with and having all the rights, powers and privileges which an absolute owner of the same property would have.

6. LIFE INSURANCE ISSUES.

(a) Payment of Premiums. To the extent that the Trustee is in possession of assets or income from assets other than the Policies, and any cash values attributable thereto, the Trustee may use such assets and cash values (but not the income therefrom) to pay any premiums, assessments or other charges on the Policies. However, the Trustee shall be under no obligation to pay the premiums, assessments or other charges on any life insurance policy of which the Trust is an owner or beneficiary. Furthermore, the Trustee shall not be responsible for determining whether such payments have been made. Upon notice at any time during the continuance of this Trust that the premiums due upon any of the Policies are in default, or that premiums will not be paid, the Trustee may apply any portion of the Trust Estate (but not the income therefrom), including, but not limited to, any cash values attributable to the Policies, to the purchase of paid-up insurance or other insurance, or may borrow upon the Policies for the payment of premiums due thereon, or may accept the cash values of the Policies upon forfeiture. In the event that the Trustee receives the cash value of any of the Policies upon forfeiture for non-payment of premiums, the Trustee may retain any cash received and either (a) apply the cash to the purchase of paid-up insurance or other insurance under any of the remaining Policies, or (b) use such cash to pay any premiums due and payable under the provisions of the remaining Policies. If no Policies are in force upon the receipt of the cash value of one of the Policies upon forfeiture for nonpayment of premiums, such amount shall be administered and distributed in accordance with the succeeding provisions of this instrument.

(b) Collection of Insurance Proceeds.

(1) Upon the death of the Surviving Trustor, the Trustee shall use reasonable efforts to collect any and all sums then payable under the terms of the Policies, if any. The Trustee shall have the power to execute and deliver receipts and other instruments, to compromise or adjust disputed claims (in such manner as in the Trustee's sole discretion seems just), to take such steps as the Trustee deems necessary and proper for collection of any insurance proceeds, and to pay the expenses of collection out of the Trust Estate. If payment on any policy is contested or refused, however, then the Trustee shall not be obligated to take any action for collection unless the Trustee is adequately indemnified or have received approval from the court having jurisdiction over this Trust.

(2) All sums received by the Trustee shall become a part of the principal of the Trust Estate, except for interest paid by the insurer, which shall be income of the Trust. Upon receipt of the proceeds of the Policies, the Trustee shall administer and distribute the Trust Estate, in trust, as provided in Paragraph 3. The Trustee's receipt to

any insurer shall be a full discharge, and no insurer shall be under any duty to inquire into the Trustee's application of the proceeds of the Policies.

7. DEALING WITH A TRUSTOR'S ESTATE.

Notwithstanding the foregoing provisions of this Trust, upon the death of a Trustor and prior to any distribution required hereunder, the Trustee, in the Trustee's discretion, may (a) lend or advance trust funds to the estate of the such deceased Trustor, or to the Trustee of any revocable trust created by either or both Trustors; provided, however, that any loan shall be adequately secured and shall bear a reasonable rate of interest, and (b) purchase assets from the estate of such deceased Trustor, or the Trustee of any revocable trust created by either or both Trustors, at fair market value. The propriety of the purchase, the amount of assets purchased and the ascertainment of fair value shall be solely within the discretion of the Trustee.

8. SUCCESSOR TRUSTEE.

(a) BARBARA IRELAND, JASON WINTERS, ERIK STERLING and PETER MAINSTAIN are designated to serve as the original Trustees of the trusts established by this instrument. If JASON WINTERS shall for any reason cease to serve as Trustee, then the following persons, in the order named, shall serve as successor Trustee in his place: (1) JON CARRASCO, (2) STEPHEN ROSEBERRY. If ERIK STERLING shall for any reason cease to serve as Trustee, then the following persons, in the order named, shall serve as successor Trustee in his place: (1) JON CARRASCO, (2) STEPHEN ROSEBERRY. If PETER MAINSTAIN shall for any reason cease to serve as Trustee, the STEPHEN ROSEBERRY shall serve as successor Trustee in his place. No further vacancies need be filled. Any action taken by a majority of the Trustees shall be binding on the Trust Estate and may be relied on by third parties dealing with the Trustees.

(b) If, at any time, any individual is named as a Trustee hereunder and there is no named successor Trustee to that individual or the named successor is then unavailable to act as Trustee hereunder, then, that individual shall have the power:

(1) to designate one or more successor Trustee or Co-Trustees who shall act as Trustee or Co-Trustee hereunder, as the case may be, in the order designated, if and when that individual ceases to act as Trustee hereunder, or

(2) to designate a Co-Trustee to serve only with such individual, which designation shall provide that such designated Co-Trustee shall be deemed to resign and shall cease to serve as Co-Trustee if, as and when the individual who designated him ceases to serve as Co-Trustee.

(c) No bond or other security shall be required of any of the aforenamed persons as Trustee.

(d) A Trustee shall have the right to resign at any time. The resignation of a Trustee shall be effective upon delivery of written notice of resignation to the other Trustee and to the income beneficiaries.

(e) The term "Trustee" or "Trustee," as used herein, shall include the person named to act originally in that capacity and shall also include any successor Trustee or Co-Trustee in that capacity. If a vacancy occurs for any reason in the office of Trustee, the title of the outgoing Trustee to the property subject to this Trust shall vest in the successor Trustee, all without the necessity of any court action or any transfer. If a Trustee ceases to serve, the certificate of the successor Trustee to that effect shall be conclusive evidence for any person acting in reliance thereon.

(f) A majority of the adult, competent beneficiaries and the guardians and conservators of the minor and incompetent beneficiaries who are then entitled to receive distributions of income from the Trust Estate, either as a matter of right or in the discretion of the Trustee, are the "majority in interest," and shall have the option to remove any corporate Trustee then acting, for reasonable cause, or appoint a successor Trustee to fill any vacancy, whereupon the remaining individual Trustee, or if there is none, such majority in interest, shall appoint as successor a corporate trustee qualified to do business in the State of California and then managing assets as a trustee in excess of Five Hundred Million Dollars ($500,000,000). Notwithstanding the foregoing, no person shall have the power to exercise any right granted hereunder if the existence of such power would cause all or a portion of the Trust Estate of such trust to be a part of such person's gross estate for federal estate tax purposes.

As used in the preceding paragraph, the term "reasonable cause" includes, but is not limited to, (i) inability of the corporate Trustee and the beneficiaries to agree upon reasonable compensation for the corporate Trustee; (ii) unreasonably poor investment performance; (iii) the removal of all current income beneficiaries from the State wherein the corporate Trustee is licensed to conduct business as a corporate Trustee; (iv) unreasonable inattention to the reasonable needs of the beneficiaries; (v) unreasonable lack of communication between the corporate Trustee and the beneficiaries; (vi) unreasonably inaccurate or unclear transaction statements or statements of account; (vii) unreasonable conflicts between the corporate Trustee and the beneficiaries; (viii) merger, acquisition or a deteriorating financial condition of the corporate Trustee; or (ix) unreasonably high turnover of account officers assigned to any trust hereunder.

(g) For the purpose of this Trust, the term "cease to act" shall be defined to include such time as any Trustee shall suffer from total or partial physical or mental disability, whether or not so declared by a court of competent jurisdiction, such that such Trustee is under the regular care and attendance of a legally qualified physician or surgeon and is unable to fulfill his or her fiduciary duties hereunder.

(h) All authority and powers, including discretionary powers, conferred on the original Trustee shall pass to the successors in the same capacity, unless otherwise stated hereunder.

(i) As long as any individual named herein shall serve as a Co-Trustee of any trust created hereunder together with a corporate Trustee in the same capacity, that individual shall have the power from time to time to delegate to the corporate Co-Trustee all or any part of his or her powers as Trustee during any period of time when such individual Trustee is absent from the State of California. The power of delegation shall be exercised by delivery by the individual Co-Trustee to the corporate Co-Trustee of written notice specifying the powers delegated. Any such delegation shall terminate on delivery by the individual Co-Trustee to the corporate Co-Trustee of written notice of termination of delegation. The individual Co-Trustee shall incur no liability to any beneficiary of the Trust Estate as a result of any actions taken or not taken within the scope of delegation during the period of delegation.

(j) No liability of any nature whatsoever shall accrue to any individual Trustee herein named, as distinguished from a corporate Trustee, for his actions as Trustee, except for fraud or dishonesty on his part, and each beneficiary hereunder by accepting benefits received shall be deemed to have agreed to indemnify and hold the said Trustee harmless from claims or liability for matters arising by reason of his actions as such Trustee, except for fraud or dishonesty on his part. The exercise by the Trustee of any discretion shall be binding and conclusive upon all persons now or hereafter interested in the trust estate.

(k) No successor Trustee or Co-Trustee shall be liable for any act, omission, or default of a predecessor or Co-Trustee in that capacity or for a prior act, omission, or default of another Co-Trustee. Unless requested in writing by the Trustor, no successor Trustee shall have any duty to investigate or review any action of a predecessor or Co-Trustee in the same capacity or a prior action of another Co-Trustee and may accept the accounting records of the predecessor Trustee or another Co-Trustee in the same capacity showing assets on hand without further investigation and without incurring any liability to any person claiming or having an interest in the trust.

(l) If any individual Co-Trustee is temporarily, but not permanently, unable to participate in trust activities because of illness, disability, or any other reason, the other Co-Trustees in the same capacity may, during this incapacity, make any and all decisions regarding the Trust Estate as though they were the sole Trustee in that capacity. In determining the temporary, but not permanent, disability of an individual Co-Trustee, the other Co-Trustee may rely on a certificate or other written statement from a licensed physician who has examined the incapacitated individual Co-Trustee. The non-incapacitated Co-Trustee shall incur no liability to any beneficiary of this Trust as a result of any action taken under this paragraph.

(m) A Co-Trustee may delegate to other Co-Trustees in the same capacity, for any period, the power to bind any trust in any transaction obligating the Co-Trustee to expend less than a sum of money specified by the delegating Co-Trustee and the Co-Trustees to whom the power is delegated may be the sole signatories of all checks necessary to accomplish this expenditure. A Co-Trustee may delegate to a property management company authority to be the sole signatory of all checks written on behalf of the Trust Estate relating to real estate owned by the trust or on checks written on behalf of the Trust Estate in an amount less than that specified by the Co-Trustee.

(n) One Co-Trustee may be given by another Co-Trustee exclusive custody of all or any assets of the Trust Estate.

9. GOVERNING LAW.

This Trust has been executed and delivered in the State of California and shall be construed and administered according to the laws of that State. Except as otherwise specifically provided herein, the determination of all matters with respect to what is principal and income of the Trust Estate, and the apportionment and allocation of receipts and expenses between these accounts, shall be governed by the provisions of the California Revised Uniform Principal and Income Act (the "Act") from time to time existing. Any such matter not provided for either herein or in the Act shall be determined by the Trustee, in the Trustee's discretion; provided, however, that the Trustee's powers shall be subject to the Trustee's duty to treat all beneficiaries equitably. In this connection, the Trustee shall:

(a) Allocate to principal all dividends or other payments made by any corporation or mutual investment company that are designated by the payor as a distribution of capital gains;

(b) Where a premium has been paid or a discount received in connection with the purchase of a bond, amortize such premium or discount by making an appropriate charge or credit to income, as the case may be; and

(c) Charge income, from time to time, with a reasonable reserve for:

(1) Depreciation of all income-producing depreciable real or personal property and capital improvements and extraordinary repairs on income-producing property;

(2) Depletion of all depletable natural resources; and

(3) All intangible property having a limited economic life.

(d) In addition, the Trustee may, with the consent of all income beneficiaries, charge expenses, such as Trustee's fees, solely to income. Notwithstanding the foregoing, net income from that portion of the Trust Estate consisting of income-producing real property shall be computed so as to equal "cash spendable" from such property. "Cash spendable" shall mean net profits derived from the operation of the real property, as ascertained through the use of accounting practices employed in preparing the federal income tax return for the trust, except that:

(1) Depreciation of buildings, improvements and personalty, and amortization of leasehold improvements, if applicable, shall not be considered as deductions.

(2) Mortgage amortization shall be considered as a deduction;

(3) Any amounts expended for capital improvements shall be considered a deduction; and

(4) Any amounts added to or subtracted from any working capital reserve maintained by the Trustee relating to the property shall be considered, respectively, as a deduction or addition.

Distributions equivalent to "cash spendable" from partnerships shall be treated as income.

10. IRREVOCABILITY.

This Trust is irrevocable, and the Trustors hereby affirmatively relinquish all right to alter, amend, revoke or terminate the Trust.

11. SPECIAL PROVISIONS.

Notwithstanding any other provisions hereof, no powers enumerated herein or accorded to a Trustee generally pursuant to law, singly or as a whole, shall be construed:

(a) To enable either Trustor (i) to vote any stock which may at any time be directly or indirectly given to any trust hereunder, in a fiduciary capacity or otherwise, or (ii) to exercise any power of appointment with respect to any such trust.

(b) To enable either Trustor to borrow any part of the assets or funds of any trust hereunder, directly or indirectly, unless such loan provides for at least such security and such interest as a commercial bank would deem to be adequate under then existing circumstances.

(c) To permit any trust distribution which would have the effect of discharging any legal obligation of either Trustor (including any obligation which either Trustor may have at any time relating to the support and/or education of any beneficiary hereunder).

(d) To permit either Trustor to purchase, exchange or otherwise deal with any portion of the Trust Estate for less than full and adequate consideration in money or money's worth.

(e) To enable either Trustor to reacquire any Trust property by substituting other property of equal value. If at any time any person other than a Trustor makes an inter vivos gift addition to any trust hereunder, such person shall be deemed thereafter to be an additional Trustor with respect to the addition to the trust receiving such gift for the purposes of the renunciation and restriction provisions set forth above and for the purposes of all limitations, exceptions, restrictions and exclusions referring to the Trustor contained in other provisions of this instrument.

12. DISINHERITANCE AND NO CONTEST CLAUSE.

Except as otherwise provided in this Trust, the Trustors have intentionally and with full knowledge omitted to provide for their respective heirs, and they do hereby generally and specifically disinherit each, any and all other persons whomsoever claiming to be, or who may lawfully be determined to be, their respective heirs-at-law, except such as are mentioned in this Trust.

If any devisee, legatee or beneficiary under this Trust, or any legal heir of a Trustor shall (i) contest this Trust, (ii) attack or seek to impair or invalidate any of its provisions, or (iii) conspire with or voluntarily assist anyone attempting to do any of those things, then in that event, the Trustors specifically disinherit each such person and any share or interest given to that person shall be revoked and shall augment proportionately the shares of such of the beneficiaries hereunder who did not join or participate in such acts or proceedings, as if such person had died without issue surviving. The Trustee is authorized to defend, at the expense of the Trust Estate, any contest or attack of any nature on this Trust or any of its provisions. For purposes of this Trust, an action for declaratory relief or instructions shall constitute an attack on this Trust where the purpose of the institution of such action would be to oppose, impair or invalidate any provision hereof.

13. PAYMENT OF TAXES AT DEATH OF A TRUSTOR.

All federal estate taxes, if any, imposed upon or by reason of the inclusion of any portion of the Trust Estate in the taxable estate of a deceased Trustor and all state inheritance and succession taxes, if any, resulting from or by reason of the death of such Trustor and attributable to the Trust Estate, unless otherwise specifically provided in the Will of such Trustor, as the case may be, or in any other trust heretofore or hereafter executed by the Trustors, or either of them, shall be paid by the Trustee. The amount of such taxes shall be determined pursuant to California Probate Code Sections 20100, et seq. Any death taxes payable by the Trustee pursuant to this Paragraph 13 shall be prorated among or recovered from the shares of the Trust Estate, or the persons entitled to benefits therein, as and to the extent provided by any applicable tax law or proration statute.

14. NAME OF TRUST.

This Trust may be referred to and described as the "OLSEN AND IRELAND 1997 INSURANCE TRUST."

IN WITNESS WHEREOF, the parties hereto have executed this Trust as of the day and year first set forth above.

DR. GREGORY OLSEN
"Trustor"

KATHY IRELAND
"Trustor"

Barbara Ireland

BARBARA IRELAND
"Trustee"

JASON WINTERS
"Trustee"

ERIK STERLING
"Trustee"

PETER MAINSTAIN
"Trustee"

DECLARATION OF TRUST

The undersigned declare that they hereby transfer the following property to THE OLSEN AND IRELAND 1997 INSURANCE TRUST, and that BARBARA IRELAND, JASON WINTERS, ERIK STERLING and PETER MAINSTAIN now hold the following property, in trust, as the Trustee, to be managed, invested and reinvested and disposed of as provided in such Trust:

Ten Dollars $10.00

DR. GREGORY OLSEN, Trustor

KATHY IRELAND, Trustor

JBW_TINS.IRE

STATE OF CALIFORNIA)
) ss.
COUNTY OF Santa Barbara)

On Dec 20, 1997, before me, JOHN P KENOSIAN, a Notary Public in and for said County and State, personally appeared GREG OLSEN and KATHY IRELAND, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same in their authorized capacity, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

WITNESS my hand and official seal.

JOHN P. KENOSIAN
Commission # 1113151
Notary Public — California
Los Angeles County
My Comm. Expires Oct 6, 2000

Notary Public in and for
said County and State

JBW_TINS.IRE

Exhibit B

PETER MAINSTAIN 1992 TRUST #1

LETTER OF RESIGNATION OF TRUSTEE

TO: Greg Olsen and Kathy Ireland, Beneficiaries of the PETER MAINSTAIN 1992 TRUST #1, dated May 28, 1992.

I, PETER MAINSTAIN, Trustee of the PETER MAINSTAIN 1992 TRUST #1 dated May 28, 1992 (hereinafter referred to as the "Trust"), hereby, pursuant to the authority granted therein and specifically set forth in Article Nine granting a trustee the right to resign, do hereby tender my written notice of resignation.

In accordance with the terms of the Trust as set forth in Article Nine, upon my resignation, by letter sent certified or registered to the beneficiaries and after 20 days from the date of mailing of said letter, Greg Olsen and Kathy Ireland may appoint a new trustee(s). Upon written notice to me of the new designation, I will forthwith transfer title to the real property, the subject of the trust, to the new trustee(s).

Dated: 06/28, 2016

PETER MAINSTAIN

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF Los Angeles)

On 6/28/16 before me, Nichole D. Sykes-Taylor, the undersigned, a Notary Public in and for said State, personally appeared

Peter Meinstein, who proved to me on the basis of satisfactory evidence to be the person(~~s~~) whose name(~~s~~) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/~~her/their~~ authorized capacity(i~~es~~), and that by his/her/their signature(~~s~~) on the instrument the person(s), or the entity upon behalf of which the person(~~s~~) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

NICHOLE D. SYKES-TAYLOR
Commission # 2144095
Notary Public - California
Los Angeles County
My Comm. Expires Feb 25, 2020

WITNESS my hand and official seal.

Signature____________________ (Seal)

Exhibit C

**RESIGNATION OF CO-TRUSTEES;
DECLINATION TO ACT AS SUCCESSOR CO-TRUSTEES; AND
CONSENT TO ACT AS SOLE TRUSTEE**

THE OLSEN AND IRELAND 1997 INSURANCE TRUST

The undersigned parties, JASON WINTERS, ERIK STERLING, STEPHEN ROSEBERRY, JON CARRASCO, and BARBARA IRELAND are signing this document with respect to the following:

RECITALS

1. An irrevocable Trust Agreement creating The Olsen and Ireland 1997 Insurance Trust was entered into on December 20, 1997, by and between DR. GREGORY OLSEN and KATHY IRELAND as Trustors (the "Trustors") and BARBARA IRELAND, JASON WINTERS, ERIK STERLING, and PETER MAINSTAIN as the initial Trustees (the "Trust").

2. Paragraph 8(a) of the Trust provides: "BARBARA IRELAND, JASON WINTERS, ERIK STERLING and PETER MAINSTAIN are designated to serve as the original Trustees of the trusts established by this instrument. If JASON WINTERS shall for any reason cease to serve as Trustee, then the following persons, in the order named, shall serve as successor Trustee in his place: (1) JON CARRASCO, (2) STEPHEN ROSEBERRY. If ERIK STERLING shall for any reason cease to serve as Trustee, then the following persons, in the order named, shall serve as successor Trustee in his place: (1) JON CARRASCO, (2) STEPHEN ROSEBERRY. If PETER MAINSTAIN shall for any reason cease to serve as Trustee, the(n) STEPHEN ROSEBERRY shall serve as successor Trustee in his place. No further vacancies need be filled...."

3. On June 28, 2016, PETER MAINSTAIN resigned as Co-Trustee of the Trust. Pursuant to the terms of paragraph 8(a) of the Trust, STEPHEN ROSEBERRY was designated to serve as successor Co-Trustee and consented to serve in that capacity on July 22, 2016.

4. The current Trustees of the Trust are BARBARA IRELAND, JASON WINTERS, ERIK STERLING, and STEPHEN ROSEBERRY.

5. Paragraph 8(d) of the Trust provides that a Trustee shall have the right to resign at any time.

6. JASON WINTERS, ERIK STERLING, and STEPHEN ROSEBERRY wish to resign as Co-Trustees of the Trust.

7. JON CARRASCO and STEPHEN ROSEBERRY each wish to decline to act as a successor Co-Trustee of the Trust as a result of JASON WINTERS' and ERIK STERLING's resignations.

8. BARBARA IRELAND wishes to consent to act as sole Trustee of the Trust.

9. This document may be signed in counterpart by the parties.

RESIGNATION

NOW, THEREFORE, JASON WINTERS, ERIK STERLING, and STEPHEN ROSEBERRY do hereby resign as Co-Trustees of The Olsen and Ireland 1997 Insurance Trust dated December 20, 1997.

Dated: 10/6/2024, 2024

DocuSigned by:
Jason Winters
JASON WINTERS

Dated: 10/6/2024, 2024

DocuSigned by:
Erik Sterling
ERIK STERLING

Dated: 10/6/2024, 2024

DocuSigned by:
Stephen Roseberry
STEPHEN ROSEBERRY

DECLINATION TO ACT AS CO-TRUSTEE

NOW, THEREFORE, JON CARRASCO and STEPHEN ROSEBERRY do hereby each decline to act as a Co-Trustee of The Olsen and Ireland 1997 Insurance Trust dated December 20, 1997, as a result of the resignations of JASON WINTERS and ERIK STERLING.

Dated: 10/6/2024, 2024

DocuSigned by:
JON CARRASCO
JON CARRASCO

Dated: 10/6/2024, 2024

DocuSigned by:
Stephen Roseberry
STEPHEN ROSEBERRY

CONSENT TO ACT AS SOLE TRUSTEE

NOW, THEREFORE, BARBARA IRELAND does hereby consent to act as sole Trustee of The Olsen and Ireland 1997 Insurance Trust dated December 20, 1997 as a result of the Resignations of JASON WINTERS, ERIK STERLING, and STEPHEN ROSEBERRY, and as a result of the Declinations to Act of JON CARRASCO and STEPHEN ROSEBERRY.

Dated: ____________________, 2024

____
BARBARA IRELAND

4874-7221-8338, v. 1

CONSENT TO ACT AS SOLE TRUSTEE

NOW, THEREFORE, BARBARA IRELAND does hereby consent to act as sole Trustee of The Olsen and Ireland 1997 Insurance Trust dated December 20, 1997 as a result of the Resignations of JASON WINTERS, ERIK STERLING, and STEPHEN ROSEBERRY, and as a result of the Declinations to Act of JON CARRASCO and STEPHEN ROSEBERRY.

Dated: 10-7-24, 2024

Barbara M. Ireland
BARBARA IRELAND

4874-7221-8338, v 1

Exhibit D

Mullen & Henzell L.L.P.
ATTORNEYS AT LAW

112 E. Victoria Street
Santa Barbara, California 93101

Phone: (805) 966-1501
Fax: (805) 966-9204
www.mullenlaw.com

e-mail: *jkatz@mullenlaw.com*

March 10, 2025

BY E-MAIL
vince.verde@ogletree.com

Vince M. Verde
Ogletree Deakins
Park Tower
695 Town Center Drive, 15th Floor
Costa Mesa, CA 92626

Re: The Olsen and Ireland 1997 Insurance Trust

Dear Mr. Verde:

We write you as the lawyer for Jason Winters, Erik Sterling and Stephen Roseberry ("Your Clients"). Your Clients were the co-trustees of the Olsen and Ireland 1997 Insurance Trust (the "Trust"), until resigning as of October 6, 2024. I am writing on behalf of Erik Gregory Ireland Olsen, who is a Beneficiary of the Trust.

Pursuant to Probate Code section 16060, trustees have a duty to keep the beneficiaries reasonably informed of the trust and its administration. Pursuant to Probate Code section 16061, on reasonable request, trustees shall report to the beneficiary by providing requested information relating to the administration of the trust. Pursuant to Probate code section 16062, trustees shall account at least annually and upon a change of trustee. Pursuant to Probate Code section 16063, there is prescribed information that must be provided in any accounting.

The time for Your Clients to provide an accounting of their handling of the Trust assets is long overdue. We have since learned that there is in excess of $7.5 million in loans taken out against the insurance policies that constitute the assets of the Trust. These loans have serious adverse financial consequences for our clients, and reflects Your Clients' imprudent handling of the Trust's assets by taking money out of the Trust for purposes that are unknown to us and which would appear to be inconsistent with the terms of the Trust and provisions of the Probate Code.

Your Clients immediately must provide a full accounting and turn over all of the books, records and accounts of the Trust and relating to the loans described above, distributions and disbursements from the Trust, and use of any assets of the Trust. Should Your Clients fail to comply with our request within the next sixty days, we reserve rights to bring a petition for an accounting and to surcharge Your Clients pursuant to Probate Code section 17200(b)(6)(c) and (12). With respect to funds or loan proceeds that Your Clients diverted from the Trust, our clients reserve the right to bring an action and seek enhanced remedies and legal fees under Probate Code section 859.

Very truly yours,

Jared M. Katz of
Mullen & Henzell L.L.P.

4906-6741-9937, v. 2

Mullen & Henzell L.L.P.
ATTORNEYS AT LAW

112 E. Victoria Street
Santa Barbara, California 93101

Phone: (805) 966-1501
Fax: (805) 966-9204
www.mullenlaw.com

e-mail: *jkatz@mullenlaw.com*

March 10, 2025

BY E-MAIL
vince.verde@ogletree.com

Vince M. Verde
Ogletree Deakins
Park Tower
695 Town Center Drive, 15th Floor
Costa Mesa, CA 92626

Re: The Olsen and Ireland 1997 Insurance Trust

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Your Clients immediately must provide a full accounting and turn over all of the books, records and accounts of the Trust and relating to the loans described above, distributions and disbursements from the Trust, and use of any assets of the Trust. Should Your Clients fail to comply with our request within the next sixty days, we reserve rights to bring a petition for an accounting and to surcharge Your Clients pursuant to Probate Code section 17200(b)(6)(c) and (12). With respect to funds or loan proceeds that Your Clients diverted from the Trust, our clients reserve the right to bring an action and seek enhanced remedies and legal fees under Probate Code section 859.

Very truly yours,

Jared M. Katz of
Mullen & Henzell L.L.P.

4906-6741-9937, v. 2