

ATTACHMENT TO PROOF OF CLAIM

The Creditor is the remainder beneficiary in a testamentary trust created by the deceased, Paul A. Van Schravendyk. Debtor-Chapin is the personal representative for the Van Schravendyk Estate, and the appointed trustee for both the present residuary trust and trust arising after the termination of the residuary trust, in which the Creditor holds a remainder interest.

Debtor-Chapin has failed to make the required statutory filings related to his administration of the Van Schravendyk Estate and the Trust created by Van Schravendyk Will. Because no information on the Trust has been made available, Creditor, does not have sufficient information to determine whether its interest in the Trust has been harmed and the degree of such harm

The Creditor is not listed on the Debtors schedules. Creditor is filing this Proof of Claim to notify the Court of its potential claim and the possibility that such claim may be non-dischargeable under US Bankruptcy Code, Title 11, §523 (a)(2), (a)(4) or (a)(6).

ATTACHMENTS
FOR
UNSECURED
CLAIM

Last Will and Testament of PAUL A. VAN SCHRAVENDYK

I, PAUL A. VAN SCHRAVENDYK, a resident of and domiciled in Bonner County, State of Idaho, do hereby make, publish and declare this to be my Last Will and Testament, hereby revoking all Wills and Codicils at any time heretofore made by me.

ARTICLE I

My immediate family now consists of my wife, Hilda Van Schravendyk. I declare that I have no children, living or deceased.

ARTICLE II

I declare that my estate presently consists of my separate property and my share of the community property of myself and my wife. By this Will I intend to dispose of all of my property over which I have the power of testamentary disposition.

ARTICLE III

I direct my Personal Representative, hereinafter named, to pay my last illness and funeral expenses as soon after my death as may be practicable.

ARTICLE IV

I give, devise, and bequeath all the rest, residue and remainder of my property to my Trustee hereinafter named. This trust shall be known as the "Residuary Trust" and shall be held, administered and distributed as follows:

- (1) Commencing with the date of my death, my Trustee shall pay to or apply for the benefit of my wife, Hilda, until her death or remarriage so much of the net income and principal of the Residuary Trust in such shares and proportions as my Trustee in its sole discretion shall determine primarily for the medical care,

comfortable maintenance and welfare of my wife, taking into consideration to the extent my Trustee deems advisable, any other income or resources of my wife known to the Trustee.

- (2) The "Residuary Trust" may also be referred to as the "Residual Trust".

ARTICLE V

I hereby nominate, constitute and appoint FRANK L. CHAPIN as my Personal Representative. As contingent Personal Representative, I hereby nominate, constitute and appoint my wife, HILDA VAN SCHRAVENDYK.

I hereby nominate, constitute and appoint FRANK L. CHAPIN as Trustee of the "Residuary Trust" and the "Paul Van Schravendyk Memorial Trust" herein created. Should the above named individual be unable or unwilling to serve as Trustee, I hereby nominate, constitute and appoint RICHARD BROWN as contingent Trustee of the "Residuary Trust" and the "Paul Van Schravendyk Memorial Trust".

ARTICLE VI

Upon the death or remarriage of my wife, Hilda, the then remaining property of the aforementioned "Residuary Trust" shall be held in trust, which shall be renamed the "Paul Van Schravendyk Memorial Trust", and shall be administered, managed, and distributed as follows:

- (1) The principal shall be perpetually invested and managed in such manner that it will generate a reasonable income without unreasonable risks.
- (2) The income shall be distributed annually to The Shriner's Crippled Children's Hospital, Spokane, Washington and the Northwest Children's Home (f/k/a North Idaho Children's Home), Lewiston, Idaho, in such proportions and amounts as determined by the Trustee in his sole discretion.

(3) The Paul Van Schravendyk Memorial Trust will be administered in accordance with the uniform trust and fiduciary laws of the State of Idaho.

The Trustee shall be required to obtain a bond, at the expense of the Trust, in an amount not less than the corpus of the Trust.

The Trustee shall provide an annual accounting to the court as required by Idaho Law.

The Trust shall be audited bi-annually and the audit report submitted to the court.

The Trustee shall be entitled to compensation in an amount normally charged for his services but in no event in excess of that provided by statute.

(4) Upon acceptance of the position of Trustee of the Paul Van Schravendyk Memorial Trust, the Trustee shall designate a successor Trustee to act as Trustee in the event of the death, disability or resignation of the Trustee. In the event no Trustee is designated, the court shall appoint a trustee with priority given to the public administrator, pursuant to Title 14, Chapter 1, Idaho Code, as it now exists, whose authority shall be limited to administration of the Trust as herein provided.

ARTICLE VII

By way of illustration and not of limitation and in addition to any inherent, implied or statutory powers, granted to Personal Representatives or Trustees generally, my Personal Representative and Trustee of the "Residuary Trust" and "Paul Van Schravendyk Memorial Trust" is specifically authorized and empowered with respect to any property, real or personal, at any time held under any provision of this my Will.

To allot, allocate between principal and income, assign, borrow, buy, care for, collect, compromise claims, contract with respect to, continue any business of mine, convey, convert, deal with, dispose of, enter into, exchange, hold, improve, incorporate any business of mine, invest, lease, manage, mortgage, grant and exercise options with respect to, take possession of, pledge, receive, release, repair, sell, sue for, to make distributions in case or in kind or partly in each without regard to the income tax basis of such asset and in general, to exercise all of the powers in the management of my Estate or the Trust Estate which any individual could exercise in the management of similar property owned in its own right, upon such terms and conditions as to my Personal Representative and Trustee may deem best, and to execute and deliver any and all instruments and to do all acts which my Personal Representative and Trustee may deem proper or necessary to carry out the purposes of this my Will, without being limited in any way by the specific grants of power made, and without the necessity of a court order.

ARTICLE VIII

If any beneficiary and I should die under such circumstances as would render it doubtful whether the beneficiary or I died first, then it shall be conclusively presumed for the purpose of this my Will that said beneficiary predeceased me.

ARTICLE IX

Except as otherwise provided herein, all payments of principal and income payable, or to become payable, to the beneficiary of any trust created hereunder shall not be subject to anticipation, assignment, pledge, sale or transfer in any manner, nor shall any said beneficiary have the power to anticipate or encumber such interest, nor shall such interest, while in the

possession of my Personal Representative or Trustee of either Trust herein created be liable for, or subject to the debts, contracts, obligations, liabilities, or torts of any beneficiary.

ARTICLE X

My Personal Representative, above named, need not give bond in any jurisdiction. My estate shall be administered without the intervention of any court, and with all powers granted herein and by law to a Personal Representative acting without non-intervention, and I direct that such non-intervention powers be unrestricted.

ARTICLE XI

No Trustee of either the "Residuary Trust" or the "Paul Van Schravendyk Memorial Trust" shall be responsible for any mistake in judgment or for any decrease in value of or loss to the trust estate or for any cause whatever except Trustee's own bad faith or gross negligence. The Trustee of the "Residual Trust" shall not be required to give any bond or other security for the faithful performance of Trustee's duties hereunder.

ARTICLE XII

This document has been delivered in the State of Idaho. The laws of the State of Idaho shall govern the validity, interpretation and administration thereof, notwithstanding the residence in another jurisdiction of the Trustee, or any beneficiary hereunder.

DATED this 23rd day of June, 1992.


PAUL VAN SCHRAVENDYK

THE FOREGOING instrument was on the above date signed by the Testator, who then was of sound and disposing mind and memory, and was published

and declared by him to be his Last Will in the presence of us, who at his request and in his presence, and in the presence of each other, have attested the same and affixed our signatures as witnesses.

[Handwritten signature]

WITNESS

Residing at:

Sandyport

[Handwritten signature]

WITNESS

Residing at:

Sandyport

[Faint, illegible text or stamp]

[Faint, illegible text or stamp]

STATE OF IDAHO)
 Bowser) ss.
County of *Kootenai*)

We, PAUL VAN SCHRAVENDYK, *Lee Sammons* and *Carole J. Milton* the Testator and Witness, respectively, whose names are signed to the attached or foregoing instrument, being first duly sworn, do hereby declare to the undersigned authority that the Testator signed and executed the instrument as his Last Will and Testament and that he had signed willingly, and that he signed it as his free and voluntary act for the purposes therein expressed; and that each of the witnesses, in the presence and hearing of the Testator, signed the Will as witness and that to the best of their knowledge, the Testator was at that time an adult of sound mind and under no constraint or undue influence.

Paul Van Schravendyk
PAUL VAN SCHRAVENDYK

Lee Sammons
WITNESS
Residing at: *Sandpoint*

Carole J. Milton
WITNESS
Residing at: *Sandpoint*

SUBSCRIBED, sworn to and acknowledged before me by PAUL VAN SCHRAVENDYK, the Testator, and subscribed and sworn to before me by *Lee Sammons* and *Carole J. Milton*, witnesses, this *23rd* day of June, 1992

Shirley L. Peterson
Notary Public for the State of Idaho
Residing at: *Sandpoint*
My Commission Expires: *4-09-96*

Van Schravendyk Trust

	Trust Balance	Approx. Residential Expense pd to Ms. Van Schravendyk at \$1,220/month	Net Balance After Payments Out of Trust	Applicable federal rate for year	Interest sing applicabl federal rate	Year End Balance
1992	400,000.00	7,320.00	392,680.00	4.98%	19,555.46	412,235.46
1993	412,235.46	14,640.00	397,595.46	4.16%	16,539.97	414,135.44
1994	414,135.44	14,640.00	399,495.44	4.80%	19,175.78	418,671.22
1995	418,671.22	14,640.00	404,031.22	6.58%	26,585.25	430,616.47
1996	430,616.47	14,640.00	415,976.47	5.77%	24,001.84	439,978.31
1997	439,978.31	14,640.00	425,338.31	5.85%	24,882.29	450,220.60
1998	450,220.60	14,640.00	435,580.60	5.63%	24,523.19	460,103.79
1999	460,103.79	14,640.00	445,463.79	4.94%	22,005.91	467,469.70
2000	467,469.70	14,640.00	452,829.70	6.24%	28,256.57	481,086.28
2001	481,086.28	14,640.00	466,446.28	4.98%	23,229.02	489,675.30
2002	489,675.30	14,640.00	475,035.30	2.78%	13,205.98	488,241.28

* 1992 Beginning Trust Balance was derived from the West One Trust Statement dated 3/20/92

**Used Blended Applicable Federal Rate published by the IRS - attached

WESTONE TRUST

PRINCIPAL PORTFOLIO
SUMMARY OF ASSETS AS OF 03-30-92
VAN SCHRAVERDIJK PAUL AREV/TR

ACCOUNT 15012178

ASSET DESCRIPTION	COST BASIS	APPROXIMATE MARKET VALUE	% OF MKT	ESTIMATED ANNUAL INCOME	YIELD TO MARKET
CASH EQUIVALENTS	32,067.53	32,067.53	8.0	1,414.18	4.4
TIME DEPOSITS	21,657.53	21,657.53	5.4	1,660.42	7.7
CORPORATE BONDS & NOTES	24,952.50	25,299.00	6.6	2,218.75	8.4
COLLECTIVE FUNDS - FIXED	20,005.64	20,343.24	5.1	1,362.96	6.7
REAL ESTATE/NATURAL RESOURCES	1.00	300,000.00	74.9	0.00	.0
TOTAL INVESTED PRINCIPAL ASSETS	98,684.20	400,367.30	100.0	6,656.31	1.7
PRINCIPAL CASH	0.00	0.00			
TOTAL PRINCIPAL ASSETS	98,684.20	400,367.30	100.0	6,656.31	1.7
INCOME CASH					

WESTONE TRUST

TBL-11301 Blended Annual Rates for Loans with Below-Market Interest Rates

IRS publishes a "blended annual rate" once a year (with the other July applicable federal rates (AFRs)) to facilitate computation of foregone interest for a below-market demand loan of a fixed principal amount that remains outstanding for the entire calendar year, ¹ see Federal Tax Coordinator ¶ 1-2966, Tax Desk ¶ 155,055.

1

Rev Rul 86-17, 1986-1 CB 377.

The blended annual rates as published are:

2.78% for 2002; 1.37
 4.98% for 2001; 1.38
 6.24% for 2000; 1.39
 4.94% for '99; 1.40
 5.63% for '98; 1.41
 5.85% for '97; 1.42
 5.77% for '96; 1.43
 6.58% for '95; 1.44
 4.80% for '94; 1.45
 4.16% for '93; 1.46
 4.98% for '92; 1.47
 7.11% for '91; 1.48
 8.19% for '90; 1.49
 8.94% for '89. 1.50

1.37

Rev Rul 2002-40, 2002-27 IRB 30.

1.38

Rev Rul 2001-34, 2001-28 IRB 31.

1.39

Rev Rul 2000-32, 2000-27 IRB 1.

1.40

Rev Rul 99-29, 1999-27 IRB 3.

1.41

Rev Rul 98-33, 1998-27 IRB 26.

1.42

ATTACHMENTS
FOR
SECURED
CLAIM

463132

REAL ESTATE MORTGAGE

FOR VALUE RECEIVED, FINANCIAL MANAGEMENT SERVICES, INC., an Idaho corporation, the mortgagor, of P.O. Box 1997, Sandpoint, Idaho 83864, does hereby grant, bargain, sell and convey unto THE PAUL A. VANSCHRAVENDYK RESIDUARY TRUST, the mortgagee, of P.O. Box 781, Sandpoint, Idaho 83864, the property located in Bonner County, Idaho, more particularly described on Exhibit "A" attached hereto and incorporated hereby by reference.

TO HAVE AND TO HOLD the said premises, with their appurtenances, unto the said mortgagee, its heirs and assigns forever.

This conveyance is intended as a mortgage to secure the payment of \$59,600.00, with interest, in accordance with the terms of an Installment Note of even date herewith, payable to the order of the mortgagee, with final payment due on the 2nd day of January, 2010.

The mortgagor covenants and agrees with the mortgagee as follows:

1. That it is the owner in fee simple of the herein described premises and that they are free from all encumbrances except those of record this date.
2. That it will pay the indebtedness hereby secured promptly, according to the terms of said Installment Note.
3. That it will pay all taxes, liens and assessments of any nature hereafter levied or imposed, or becoming payable, upon said premises before delinquency.

4. That it will keep any buildings on said premises insured against loss or damage by fire in an amount equal to the full insurable value.

If the mortgagor shall fail to pay any such tax or lien, or fail to maintain such fire insurance, the mortgagee may pay the same or procure said insurance and pay the cost thereof, and all payments by the mortgagee for any such purpose shall be added to the indebtedness hereby secured, and shall be repayable on demand, with interest at the note rate.

For the purpose of further securing said indebtedness and performance of the covenants herein contained, and in the event of default, the mortgagor hereby sells and assigns to the mortgagee any and all rentals accruing, or to accrue on said premises, during the life of this mortgage.

If the said mortgagor shall pay or cause to be paid all monies which may become due upon said Installment Note and shall otherwise comply with the terms and conditions hereof, this conveyance shall be void; but in case default shall be made in the payment of the indebtedness hereby secured, or any part thereof, principal or interest, or in any of the covenants or agreements herein contained, and if the default continues 30 days after notice, then the mortgagee or assigns, at its option, may declare the entire indebtedness hereby secured immediately due and payable, and foreclose this mortgage and cause said mortgaged premises to be sold in the manner provided by law, and out of the moneys arising from such sale retain principal and interest together with any sums advanced as provided herein, with

interest as aforesaid, together with the costs and charges of such foreclosure suit and sale, including such sum as the court may adjudge reasonable as an attorney's fee to be allowed to plaintiff, and the excess, if any there be, pay over to the mortgagor, its heirs and assigns.

DATED this 2nd day of January, 1995.

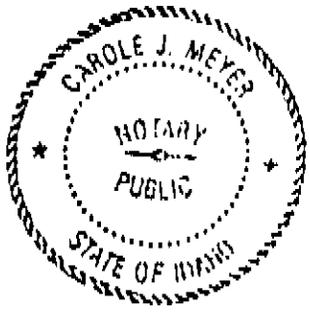
FINANCIAL MANAGEMENT SERVICES, INC.

Sydney L. Gutierrez
Sydney L. Gutierrez, President
Frank L. Chapin
Frank L. Chapin, Secretary

STATE OF IDAHO)
County of Bonner) ss.

On this 2nd day of January, 1995, before me a Notary Public, in and for said State, personally appeared SYDNEY L. GUTIERREZ and FRANK L. CHAPIN, known to me to be the president and secretary, respectively, of the corporation that executed the foregoing instrument, and acknowledged to me that they executed the same in said corporation's name.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on the day and year last above written.



Carole Meyer
Notary Public-State of Idaho
Residing at Sandpoint
My commission expires 12-28-99

463132

EXHIBIT "A"

PARCEL #1: The S $\frac{1}{2}$ S $\frac{1}{2}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ and the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 29, Township 55 North, Range 4 West, Boise Meridian, Bonner County, Idaho, lying North of the County Road; LESS the East 330 feet thereof;

EXCEPT Public Roads and Rights of Way.

PARCEL #2: The East 330 feet of the S $\frac{1}{4}$ of the S $\frac{1}{2}$ of the NE $\frac{1}{4}$ of the NW $\frac{1}{4}$ and the East 330 feet of the SE $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 29, Township 55 North, Range 4 West, Boise Meridian, Bonner County, Idaho, all lying North of the County Road.

FILED BY *Janet*
-95 APR 11 PM 0 52
MARIE SCOTT
RECORDER OF BONNER
COUNTY BY *Janet* DEF.

RECORDING REQUESTED BY: _____
WHEN RECORDED, RETURN TO: _____

Finney & Finney, P.A.
Attorneys at Law
120 East Lake Street, Suite 317
Sandpoint, Idaho 83864

THIS SPACE FOR RECORDER'S USE
Finney & Finney
2003 APR 17 A 10:08
1200

562524

WARRANTY DEED
ASSIGNMENT AND ASSUMPTION

KNOW ALL MEN BY THESE PRESENTS, that Grantor, FINANCIAL MANAGEMENT SERVICES, INC., an Idaho Corporation, for value and consideration received, does hereby GRANT, BARGAIN, SELL and CONVEY unto the Grantee, S and F, LLC, an Idaho Limited Liability Company, of P.O. Box 2028, Sandpoint, Idaho 83864, the following real property, situated in the County of Bonner, State of Idaho, to-wit:

Parcel 1:

The East 330 feet of the South half of the South half of the Northeast quarter of the Northwest quarter and the East 300 feet of the Southeast quarter of the Northwest Quarter of Section 29, Township 55 North, Range 4 West, Boise Meridian, Bonner County, Idaho all lying North of the County Road

Parcel 2:

The South half of the South half of the Northeast quarter of the Northwest quarter and the Southeast quarter of the Northwest Quarter of Section 29, Township 55 North, Range 4 West, Boise Meridian, Bonner County, Idaho all lying North of the County Road: LESS the East 330 feet thereof.

GRANTOR ASSIGNS: Subject to a Mortgage, and the indebtedness secured thereby, dated January 2, 1995, executed by Financial Management Services, Inc. an Idaho Corporation, as Mortgagor, with The Paul A. Vanschravendyk Residuary Trust, as Mortgagee, to secure payment of \$59,600.00; recorded on April 4, 1995, as Instrument No. 463132, records of Bonner County, Idaho. Grantee herein assumes the indebtedness secured by said Mortgage as of January 4, 1999, in the principal sum of FORTY NINE THOUSAND FOUR HUNDRED SIXTY FIVE AND 92/100 DOLLARS (\$49,465.92) and the terms and conditions of said Mortgage and the indebtedness secured thereby. Grantee shall fully satisfy and discharge the same, as to the herein described realty, according to the terms thereof, holding the Grantor harmless from any further

performance of the indebtedness and Mortgage described hereinabove which is held for escrow at Financial Management Services, Inc., P.O. Box 1997, Sandpoint, Idaho 83864 in Escrow No. 92-1613.

SUBJECT TO delinquent general taxes for the first half of 1999, and general taxes for the second half of 1999.

SUBJECT TO general taxes for the year 2000, a lien in the process of assessment, not yet due or payable.

SUBJECT TO the right of the public in and to any and all easements and rights of way for any and all public roads now established or existing on said premises, or any part thereof, as reserved by Humbird Lumber Company, a Corporation, in Deed recorded January 1, 1931 as Instrument No. 78715 or Book 49 of Deeds, Page 512, records of Bonner County, Idaho.

SUBJECT TO an Easement and conditions contained therein, recorded October 10, 1978 as Instrument No. 206323, 178 of Deeds, in favor of the Northwest quarter of the Northeast quarter of the Northwest quarter and the North half of the Southwest quarter of the Northeast quarter of the Northwest quarter of Section 29, Township 55 North, Range 4 West, Boise Meridian, Bonner County, Idaho, for an easement for ingress, egress, and utilities over and along the existing road in that portion of the East half of the Northwest quarter of said Section 29, lying South of the above described property and North of the County Road.

SUBJECT TO an Easement and conditions contained therein, recorded October 10, 1978 as Instrument No. 206325, 178 of Deeds, Page 368, in favor of the Northeast quarter of the Northeast quarter of the Northwest quarter and the North half of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 29, Township 55 North, Range 4 West, Boise Meridian, Bonner County, Idaho, for an easement for ingress, egress, and utilities over and along the existing road in that portion of the East half of the Northwest quarter of said Section 29, lying South of the above described property and North of the County Road.

TOGETHER WITH all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining.

AND the above named Grantors hereby covenant that the above described premises are free from all encumbrances, and that they and their heirs, executors, and assigns, will warrant and defend the above premises against all lawful claims and demands whatsoever, EXCEPT easements and rights of way existing or of record.

4/01/03

PMO100 - PARCEL MASTER INQUIRY

09:54:06

PARCEL: RP 55N04W294200 A F1=SL

F17=DD F19=SP F24=LD

*TREND - LEGAL DESCRIPTION

S & F LLC

29-55N-4W
SESENEW, E 330FT OF SENW N OF
CO RD

P O BOX 2028

ProVal Area Number 2
CODE AREA 5400 OWNER CODE

SANDEPOINT ID 83864

PARC TYPE 2E LOC CODE 2200

EFFDATE 12161980 EXPDAT

PREV PARCEL

CAT	RY	QUANTITY	UN	VALUE	HO MKT	HO EXMP	CB MKT	OTHER
18	1999	8310	AC	26177				

TOTALS 8310 26177

ENTER NEXT PARCEL NUMBER RP _____ A

FKeys: F2-TX F3-Exit F5=SS F6=NM F7-LG
 F8-CT F13-TM F18=HS F20=Srch F22=EU