

1 DENNIS M. DAVIS
2 Witherspoon, Kelley, Davenport
& Toole, P.S.
3 The Spokesman Review Building
608 Northwest Boulevard, Suite 401
4 Coeur d'Alene, Idaho 83814-2146
Telephone: (208) 667-4000
5 Facsimile: (208) 664-8470

6 Attorneys for Certain Creditor/Beneficiaries
of Estate of Paul A. Van Schravendyk

U.S. COURTS
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S. GILBERT
IDAHO

7 IN THE UNITED STATES BANKRUPTCY COURT
8 FOR THE DISTRICT OF IDAHO

9 In Re:

10 FRANK L. CHAPIN and SYDNEY L.
11 GUTIERREZ-CHAPIN,

12 Debtors.

Bk. No. 02-20218

MOTION FOR ORDER DIRECTING FED R
BANKR P 2004 EXAMINATION AND
13 PRODUCTION OF DOCUMENTS

14 COMES NOW, NORTHWEST CHILDREN'S HOME, INC. and SHRINER'S HOSPITAL FOR
15 CRIPPLED CHILDREN, creditors in the above referenced Chapter 11 case, (hereinafter referred to as
16 "Movants"), by and through their attorneys Witherspoon, Kelley, Davenport & Toole, P.S., each moving
17 this Court for an order authorizing a Fed R. Bankr. P 2004 Examination of Frank L. Chapin, (hereinafter
18 the "Debtor"), and for the production of documents in the custody or under the control of the Debtor, and
in support of such Motion respectfully show this Honorable Court as follows:

19 1. Pursuant to Fed R Bankr P 2004, upon motion of any party in interest, the Court may order the
20 an examination of "any person" relating to the acts, conduct or property of the debtor or "any matter"
21 which may affect the administration of the debtor's estate." Movants request that this Court order Debtor
22 to appear for an examination pursuant to Fed R. Bankr P 2004, such examination to take place before a
23 duly authorized court reporter.

24 2. Movants submit on information and belief and upon the representations made by Debtor in his
25 schedules that Debtor resides in Sandpoint, Idaho and that Debtor has retained legal counsel in Coeur
26 d'Alenc, Idaho. Therefore, Movants request permission to conduct said examination of Debtor at the law
27 offices of Witherspoon, Kelley, Davenport & Toole, P.S., 608 Northwest Blvd., Ste. #401, Coeur
28

1 d'Alene, Idaho or at such other location as is agreed, at 1:30 o'clock p.m. on the 8th day of July, 2003.

2 3. Movants further request that this Court order Debtor to produce for inspection and copying
3 those documents described in the attached Exhibit "A" at the above referenced examination.

4 4. Movants allege, on information and belief, that Debtor is the trustee for a residuary,
5 testamentary trust of which Movants are remainder beneficiaries. The Debtor has failed to make the
6 required filings for estates and trusts as is required under Title 15 of the Idaho Code. On March 21, 2003,
7 Movants made a demand on the Debtor for the required trust and estate filings and for other information,
8 a copy of which is attached hereto as Exhibit "B." Debtor has not replied to the Movants' demand.
9 Therefore Movants request an examination of the Debtor to determine the value of their remainder
10 interest in the residuary trust and whether their interest has been jeopardized by the Debtor's management
11 of the trust.

12 Additionally, the Debtor's Amended Statement of Affairs, question 14, ("Property held for
13 another person"), now lists the Estate of Paul Van Schravendyk as a person for whom the Debtor holds
14 property in trust, but does not list the Movants as persons for whom the Debtor holds property. The
15 Debtor's Amended Statement of Affairs also list the value of such interest as unknown, and does not list
16 Movants. Therefore Movants do not know if their interest in the trust is part of the bankruptcy estate or
17 if it is, the value so held. Moreover, if the Movants' interest in the trust assets are included in the
18 bankruptcy estate, the proposed plan submitted to the Court does not indicate how such trust assets will
19 be distributed. Therefore, Movants need to examine the Debtor to determine whether the trust assets still
20 exist, how the trust assets are titled, whether they are part of the bankruptcy estate, and if they are part
21 of the bankruptcy estate how they are intended to be distributed.

22 Lastly, an examination of the Debtor will assist Movants in determining whether the claim, if any,
23 would be a nondischargeable under US Bankruptcy Code Title 11, U.S.C. § 523(a)(2), (a)(4), (a)(6) and
24 § 1141(d)(2). Accordingly good cause exists for an entry of an order granting the request Fed R Bankr
25 P 2004 examination. Secured and general unsecured creditors, like Movants, have an interest and right
26 to information regarding the status of Debtors' estate.

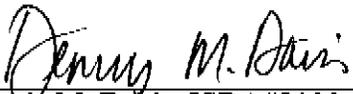
1 5. In addressing the scope of discovery under Fed R Bankr P 2004, the Bankruptcy Courts have
2 ruled:

3 The purpose of a rule 2004 Examination is to allow the court to gain a
4 clear picture on the condition and whereabouts of the bankrupt's estate.
5 See Cameron v. United States, 231 US 710, 34 S. Ct. 244, 58 L. Ed 448
6 (1914). The examination of witnesses having knowledge of the debtor's
7 acts, conduct, liabilities, assets, etc., is therefore proper. See In Re GHR
Energy Corp., 35 B.R. 534, 11 B.C.D. 312 (Bankr. D. Mass. 1983), and
the inquiry may "cut a broad swath through the Debtor's affairs, those
associated with him, and those who might have business dealings with
him." In re Mantolesky, 14 B.R. 973, 976 (Bankr D. Mass. 1981)

8 Movants' request for examination and discovery of Debtor therefore clearly falls within the scope of a
9 Fed R Bankr P 2004 Examination.

10 Wherefore, Movants respectfully requests that this Court enter an Order granting their Motion for
11 Fed R Bankr P 2004 Examination of the Debtor and Production of Documents at the time and place to
12 be designated by Movants, and that this Court grant Movants such other and further relief as this Court
13 deems just and equitable.

14
15 DATED this 19th day of June, 2003.

16
17 
18 _____
19 Dennis M. Davis, ISBA#2133
20 Witherspoon, Kelley, Davenport & Toole, P.S.
21
22 Attorneys for Certain Creditor/Beneficiaries
23 of Estate of Paul A. Van Schravendyk
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CERTIFICATE OF MAILING

I HEREBY CERTIFY this 20th day of June, 2003, that I caused to be served the within and foregoing OBJECTION TO CONFIRMATION OF CREDITORS PLAN OF REORGANIZATION on the parties as shown below by causing true and correct copies thereof to be deposited in the U.S. Mail, postage prepaid thereon, addressed as follows:

Frank L. Chapin
P.O. Box 781
Sandpoint Idaho 83864

Sydney L. Gutierrez-Chapin
aka Sydney L. Gutierrez
P.O. Box 2028
Sandpoint, Idaho 83864

Lewis M. Wilson, Esq.
1519 W. Broadway
Spokane, WA 99201

Bruce A. Anderson, Esq.
1400 Northwood Ctr Ct. #C
Coeur d'Alene, Idaho 83814

United States Trustee Office
P.O. Box 110
Boise, Idaho 83701

Tamara W. Murock
Maris Baltins
Winston & Cashatt
250 Northwest Blvd., Suite 107A
Coeur d'Alene, Idaho 83814

John R. Rizzardi
Cairncross & Hempelmann, P.S.
524 Second Avenue, Suite 500
Seattle, WA 98104-2323

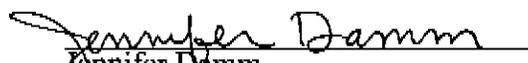

Jennifer Damm

Exhibit "A"

EXHIBIT "A"

Documents Request

The following definitions are to be used with respect to these documents:

- A. "Document" as used herein shall mean any kind of written, recorded or graphic matter, however produced or reproduced, of any kind or description, whether sent or received or neither, including originals, non-identical copies (whether different from the original because of marginal notes, or other material inserted therein or attached thereto, or otherwise) and drafts and both sides thereof, including, but not limited to: papers; books; letters; correspondence; telegrams; cables; telex messages; reports and recordings of telephone or other conversations or other interviews or conferences of other meetings; affidavits; pleadings; summaries; opinions; reports; stays; analyses; evaluations; contracts; agreements; ledgers; journals; statistical records; desk calendars; appointment books; diaries; lists; tabulations; sound recordings; computer printouts; data processing records; microfilm; photographs; maps; charts; accounts; financial statements or reports thereof; promissory notes; loan agreements; loan files and all notes contained within loan files; revolving credit agreements; deeds of trust; guaranty agreements or other indemnification agreements; real estate contracts for sale or lease; appraisals; all records kept by electronics, photographic or mechanical means; pleadings and all other things similar to any or the foregoing, however denominated.
- B. "Relating or referring" are used in their broadcast sense and shall mean and include, but shall not be limited to, advert, allude, comprise, concern, constitute, describe, discuss, mention, note, pertain, quote, recite, recount, reflect, report or state.
- C. The "Estate" as used herein refers to Estate of Paul A. Van Schravendyk.
- D. The singular shall include the plural, and the plural shall include the singular. The conjunctive "and" shall include the disjunctive "or" and the disjunctive "or" shall include the conjunctive "and."
- E. Each document produced pursuant to Exhibit A shall be produced as it is kept in the usual course of business (i.e., in the file folder or binder in which such documents were located when the request was served) or shall be organized and labeled to correspond to the categories of documents requested.
- F. You are instructed to produce any and all documents which are in your possession, custody or control. Possession, custody or control includes constructive possession whereby you have a right to compel the production of a matter from a third party (including an agency, authority or representative).
- G. To the extent the location of any document called for by this Exhibit is unknown to you, so state. If any estimate can reasonably be made as to the location of any unknown document, describe the document with sufficient particularity so that it can be identified, set forth your best estimate of the document's location, and describe the basis upon which the estimate is made.

- H. If any document request is deemed to call for disclosure of proprietary data, counsel for Movant is prepared to receive such data pursuant to an appropriate confidentiality order.
 - I. To the extent the production of any document is objected to on the basis of privilege, provide the following information about each document: (1) describe the nature of the privilege claimed (e.g., attorney-client, work product, etc.); (2) state the factual and legal basis for the claim of such privilege (e.g., communication between attorney for corporation and outside counsel relating to acquisition of legal services); (3) identify each person who was present when the document was prepared and who has seen the document; and (4) identify every other document which refers to or describes the contents of such document.
 - J. If any document has been lost or destroyed, the document so lost or destroyed shall be identified by author, date, subject matter, date of loss or destruction, identity of person responsible for loss or destruction and, if destroyed, the reason for such destruction.
 - K. These requests relate to documents created or coming into the Estate's possession or control on or after the commencement date of these proceedings to the date of the response, unless otherwise requested.
-
1. The documents Debtor is directed to provide are all documents which are or may be related and/or relevant to (a) the assets of Paul A. Van Schravendyk, deceased, on the date of the execution of his last Will and Testament; (b) the management, investment, transfer, encumbrance or other disposition of said assets; and (c) the assets currently held by Debtor as Trustee of the Van Schravendyk Residual Trust, **including information concerning the location and the value of said assets, copies of any inventory of the estate of Paul A. Van Schravendyk filed or prepared as required pursuant to I.C. 15-3-706, and copies of any estate tax return (and amendments made thereto) filed with the Internal Revenue Service;**
 2. Any federal or state estate income tax returns filed for the Paul A. Van Schravendyk's estate;
 3. A complete accounting or all information necessary to complete a full accounting of the estate administration from the time Frank L. Chapin was appointed personal representative and/or trustee to present, as is required by I.C. 15-7-303;
 4. Copies of any Registration of the "Residuary Trust" as required by I.C. 15-7-101;
 5. An accounting or information necessary to complete a full accounting of the estate administration of the "Residuary Trust" from date of Mr. Schravendyk's death to present, and any federal or state income tax returns filed for this trust pursuant to I.C. 15-7-303;
 6. Any and all information in the possession of the Debtor or available to the Debtor related to the assets of the Paul A. Van Schravendyk's estate and/or trust.

Exhibit "B"

WITHERSPOON, KELLEY, DAVENPORT & TOOLE
A PROFESSIONAL SERVICE CORPORATION
ATTORNEYS & COUNSELORS

COEUR D'ALENE OFFICE

EDWARD J. ANSON**
DENNIS M. DAVIS**
MARK A. ELLINGSEN*
JOEL P. HAZEL*

SPOKANE OFFICE

ROBERT L. MAGNURSON
NED M. BARNES
WILLIAM D. SYMMER**
ROBERT N. LAMP
K. THOMAS CONNOLLY
THOMAS D. COCHRAN
DUANE M. SWINTON
MORPH H. WESSEMAN
JEFFREY L. RUPINGER*
DONALD J. LYLES*
LESLIE B. WEATHERHEAD*
MICHAEL D. CURRIN
BRIAN F. SANDERS**
B. HAY ETTEL, JR.
STANLEY E. SCHULTZ
MICHAEL F. NIENSTEDT*
WIM M. RILEY III
F. A. D'ULLATTY, JR.
DANIEL E. FINNEY
MARY E. DEANINCHI
TIMOTHY M. LAWLER
CLAUDE F. BAILEY
WILLIAM M. SYMMER
ROBERT S. MAGNURSON
STANLEY M. SCHWARTZ*
DAVID M. ELLIOTSON
JUDY M. MATHOMICK
SHELLEY N. RIPLEY
CHRISTOPHER G. VABALLOP
KIMBERLY A. KAMEL
L. VICTORIA MEECE*
RYAN M. BRALDOON
LARRY L. RESIDUARY
RICHARD A. REFF
ROBERT J. CALDWELL*
BENJAMIN S. CULLEN*
STACY A. BORDAHL
D. TONY MELANIKHIN

*Also admitted in Idaho
+Also admitted in New York
** Also admitted in California
--Admitted in Idaho only
|Also admitted in Oregon
-Also admitted in Missouri
^Also admitted in Washington

THE SPOKESMAN REVIEW BUILDING
608 NORTHWEST BOULEVARD, SUITE 401
COEUR D'ALENE, IDAHO 83814-2146
Telephone: (208) 667-4000
Telecopier: (208) 667-8470

SPOKANE OFFICE
1109 U.S. BANK BUILDING
422 WEST RIVERSIDE AVENUE
SPOKANE, WASHINGTON 99201-0300
(509) 624-5262

OF COUNSEL

WIL A. DAVENPORT
JOHN E. HEATH, JR.
ALLAN H. TOOLE
KARL K. KROGUE

March 21, 2003

Bruce A. Anderson, Esq.
1400 Northwood Ctr Ct. #C
Coeur d'Alene, Idaho 83814

Roger M. Hanlon
P.O. Box 1061
Sandpoint, Idaho 83864

Frank L. Chapin
P.O. Box 781
Sandpoint Idaho 83864

Sydney L. Gutierrez-Chapin
aka Sydney L. Gutierrez
P.O. Box 2028
Sandpoint, Idaho 83864

United States Trustee Office
P.O. Box 110
Boise, Idaho 83701

Re: Frank L. Chapin and Sydney L. Gutierrez-Chapin
Bankruptcy Case No. 02-20218
Our Clients: Northwest Children' Home, Inc.;
Shriner's Hospitals for Crippled Children

Dear Gentlemen:

We represent both the Northwest Childrens' Home and Shriner's Hospitals for Crippled Children. These two entities have been named remainder beneficiaries under Paul A. Van Schravendyk's Last Will & Testament dated June 23, 1992, (copy enclosed).

Mr. Van Schravendyk's Will created two testamentary trusts. The first trust is the Residuary Trust. This trust is currently in existence for the benefit of Mr. Schravendyk's surviving spouse and is currently being administered by Frank Chapin as Trustee. The Residuary Trust is to terminate upon Mrs. Schravendyk's death or remarriage and the remainder of the then existing trust estate is to be renamed the "Paul Van Schravendyk Memorial Trust." Our clients are the sole beneficiaries of the Memorial Trust and Mr. Chapin is the nominated Trustee for this trust.

We are trying to determine the value of our clients' potential interest in the Paul Van Schravendyk Memorial Trust, however, our review of the probate proceedings on file with the Bonner County District Court fails to disclose any inventory or accounting filings since the appointment of Mr. Chapin as personal representative of Mr. Van

March 21, 2003

Page 2

Schravendyk's Will on March 1, 1994. Additionally, we have been unable to locate any registration of trust as required by I.C. 15-7-101. Therefore we, as representatives of the remainder beneficiaries of the testamentary trust described above, request the following:

1. filing and copies of an inventory of the estate of Paul A. Van Schravendyk as required pursuant to I.C. 15-3-706, and copies of any estate tax return filed with the Internal Revenue Service;
2. any federal or state estate income tax returns filed for the Paul A. Van Schravendyk's estate;
3. a complete accounting of the estate administration from the time Frank L. Chapin was appointed personal representative to present, as is required by I.C. 15-7-303;
4. registration of the "Residuary Trust" as required by I. C. 15-7-101;
5. an accounting of the administration of the "Residuary Trust" from date of Mr. Schravendyk's death to present, and any federal or state income tax returns filed for this trust pursuant to IC 15-7-303;
6. notice of all proceedings in both the probate and trust administration, pursuant to the Request for Notice enclosed herewith (and filed with the District Court); and
7. all or any part of the above information as may be required pursuant to any other pertinent provision of law.

In addition to the foregoing, we request any information in your client's possession relative to the sale by Paul A. Van Schravendyk, or his estate, of real property described in the Warranty Deed, recorded as Instrument No. 423308, records of Bonner County, Idaho, (copy enclosed). In particular, we are interested in knowing the consideration paid for the property, whether the full consideration has been paid, and the disposition of those sale proceeds. According to information contained from West One Bank's administrator of a previous inter vivos trust, that real property was valued at \$300,000.

Further, we understand that there may exist a Promissory Note secured by a Real Estate Mortgage from Financial Management Services, Inc. and in favor of the Paul A. Van Schravendyk Residuary Trust. Kindly provide us a copy of the Note, if available, along with any relevant information you might have regarding both the circumstances surrounding execution of the note and mortgage, and the history and current status of payments on the same.

March 21, 2003

Page 3

Given the impending hearing on the Chapter 11 Plan Confirmation it is necessary that we ask that his requested information be provided by not later than April 1, 2003.

Please call us if you need further clarification on our request. We appreciate your prompt assistance in this matter.

Very truly yours,

WITHERSPOON, KELLEY, DAVENPORT
& TOOLE, P.S.

By: 
DENNIS M. DAVIS

DMD:jld
Enclosures

cc: Rusty Cooper, Northwest Children's Home, Inc.
Thomas R. Vrecenak, Shriner's Hospitals for Crippled Children

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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:

Sandpoint

[Handwritten signature]

WITNESS

Residing at:

Sandpoint

[Faint, illegible text or stamp]

STATE OF IDAHO)
County of ~~Boise~~ ^{Bonnet} ~~Kootenai~~) ss.

We, PAUL VAN SCHRAVENDYK, Lee Sammons and Carole J. Mittan, the Testator and Witness, respectively, whose names are signed to the attached or foregoing instrument, being first duty 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. Mittan
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. Mittan, witnesses, this 23rd day of June, 1992

[Signature]
Notary Public for the State of Idaho
Residing at: Sandpoint
My Commission Expires: 4-09-96

42330d

WARRANTY DEED

FOR VALUS RECEIVED the Grantor, PAUL A. VAN SCHRAVENOYE, a married man, as his sole and separate property, does hereby grant, bargain, sell and convey unto the Grantees, GARY R. VAN STONE and ALICE B. VAN STONE, husband and wife, whose address is 210 Westbury Drive, Coraopolis, PA 15108, the following described premises, to wit:

The following described real property located in Section 27, Township 57 North, Range 1 East, Boise Meridian, Bonner County, Idaho:

PARCEL I:

That part of the East half of the Southeast Quarter of Section 27, Township 57 North, Range 1 East, Boise Meridian, Westerly of a line described as follows:

Beginning on the South line of Section 27 at a point south 89 degrees 57 West 620 feet from the Southeast corner of Section 27; thence North 888 feet; thence North 35 degrees 30 West 1268.26 feet more or less to the West line of the Northeast Quarter of the Southwest Quarter of said Section 27.

PARCEL II:

The West half of the Northeast Quarter of Section 27, Township 57 North, Range 1 East, Boise Meridian, Bonner County, Idaho.

PARCEL III:

The Northwest Quarter of the Southeast Quarter of Section 27, Township 57 North, Range 1 East, Boise Meridian, Bonner County, Idaho.

PARCEL IV:

Beginning at a point 620 feet West from the Southeast corner of Section 27; thence North 888 feet; thence West 833 feet; thence North 432 feet to quarter line; thence West on said line 1087 feet; thence South 1050 feet more or less to the lake shore, thence along the lake shore to the South section line; thence East on said South section line to the point of beginning;

LESS Tax No. 7 described as follows:

WARRANTY DEED - 1

Beginning of Corner #1, which is at a point in gulch 12 feet above head-wall of culvert near West end of Highland Street from which the Southeast corner of the Section 27 aforesaid bears South 315.83 feet and East 1700.26 feet; thence from said Corner #1, North 46 degrees 22' West, 145 feet along said road to Highland Street to Corner #2; thence North 43 degrees 38' East, 50 feet to Corner #3; thence South 46 degrees 22' East, 145 feet to Corner #4; thence South 43 degrees 38' West, 50 feet to Place of Beginning;

ALSO LESS Tax No. 8 described as follows:

Beginning of Corner #1, which is at a point in gulch 12 feet above head-wall of culvert near West end of Highland Street which point is identical with Corner #1 of Tax #7 known as Norton Tract. From said point the Southeast corner of Section 27, aforesaid, bears South 315.83 feet and East 1700.26 feet thence from said Corner #1 South 46 degrees 22' East, 145 feet to corner #2; thence North 40 degrees 49' East, 313.1 feet to corner #3; thence North 54 degrees 24' West 332.8 feet to corner #4; thence South 38 degrees 21' West, 236.3 feet to corner #5; thence South 46 degrees 22' East, 200 feet to corner #6 which is identical with corner #2 of the Norton Tract; thence North 43 degrees 38' East, 50 feet along the West line of the Norton Tract; thence South 46 degrees 22' East along North line of Norton Tract 145 feet; thence South 43 degrees 38' West along the East line of Norton Tract 50 feet to the Point of Beginning, together with an easement for a pipeline to conduct water for domestic use over adjacent premises as indicated in Deed Book 64, Page 240, Banner County;

ALSO LESS Tax No. 9 described as follows:

Beginning of a point 932.9 feet West of the Southeast corner of said Section 27, Township 57 North, Range 1 East; thence North 15 feet; thence West 30 feet; thence South 15 feet; thence East 30 feet to the Point of Beginning;

EXCEPTING THEREFROM any portion of Parcel IV lying within Highway 200;

ALSO EXCEPTING therefrom any portion of Parcel IV lying within the Northern Pacific Railway,

together with all improvements, easements, tenements, hereditaments and appurtenances thereto, reserving unto Grantor and Grantor's wife, HLOA VAN SCHRAVENDYK, a life estate in that immediate portion of the property consisting of

WARRANTY DEED - 2

43306

the house, barn and garage, and access thereto, to be terminated either upon the death of the survivor of PAUL A. VAN SCHRAVENDYK and HILDA VAN SCHRAVENDYK; or to be terminated in the event that both PAUL A. VAN SCHRAVENDYK and HILDA VAN SCHRAVENDYK or the survivor of PAUL A. VAN SCHRAVENDYK and HILDA VAN SCHRAVENDYK abandon(s) said property for a period of two consecutive years.

During the exercise of said life estates, the Grantees are prohibited and restricted from subdivision of the 160 acres transferred herein and Grantees are prohibited and restricted from selling, transferring or conveying any part of the above described 160 acres; however, Grantees may sell, transfer or convey their entire interest in the total 160 acres to anyone, subject to the life estates herein reserved. Further, during the exercise of said life estates, both Grantees and Grantor are prohibited and restricted from logging said 160 acres, except that Grantees may selectively log certain trees only to improve the property, and irrespective of this provision, Grantor or his wife, HILDA VAN SCHRAVENDYK, may remove firewood for their personal use.

TO HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantees, their heirs and assigns forever. And the said Grantor does hereby covenant to and with the Grantees that he is the owner in fee simple of said premises; that said premises are free from all encumbrances except for easements and rights of way view or of public record, and the reservation of the life estate set forth herein, and that he will warrant and defend the same from all lawful claims whatsoever.

DATED this 31 day of August, 1992.

Paul A. Van Schravendyk
PAUL A. VAN SCHRAVENDYK

STATE OF IDAHO)
) ss.
County of Blaine)

On this 31 day of August, 1992, before me, a notary public in and for said State, personally appeared PAUL A. VAN SCHRAVENDYK, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

David J. ...
Notary Public
Residing at ...
My Commission Expires 3-1-93

Filed by ...
93 SEP 22 PM 11 23

REC'D
NOTARY
WARRANTY DEED - 3