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4 Attorneys for Executors

FILED

MAY 19 1987

FRANK S. ZOLIN, COUNTY CLERK

B. Williams
B. WILLIAMS DEPUTY

8 SUPERIOR COURT OF CALIFORNIA
9 FOR THE COUNTY OF LOS ANGELES

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Estate of:)	No. P 707,574
)	
WALTER C. BATEMAN, JR.)	ORDER SETTLING FIRST AND FINAL
)	ACCOUNT AND REPORT OF EXECUTORS,
Deceased)	ALLOWING STATUTORY EXECUTORS'
)	COMMISSION AND ATTORNEYS' FEES,
)	FEES FOR SERVICES OF EXTRA-
)	ORDINARY NATURE, AND DECREE OF
)	FINAL DISTRIBUTION



The First and Final Account and Report of Executors;
 Petition For Allowance of Statutory Executors' Commission and
 Attorneys' Fees, For Fees For Services of Extraordinary Nature,
 and For Final Distribution (Trust), filed herein by Frank L.
 Mallory and Trust Services of America, Inc., as Executors of the
 Last Will and Testament of Walter C. Bateman, Jr., deceased,
 having come on regularly to be heard on the 12th day of May, 1987,
 at 9:15 A.M. in Dept. 11 of the above entitled Court, the
 Honorable JULIUS A. LEETHAM, Judge Presiding, and
 petitioners appearing by their attorneys, Gibson, Dunn & Crutcher
 by Frank L. Mallory, Esq., and evidence having been offered and

1 received, and it appearing to the Court, and the Court finding
2 therefrom as follows:

3 That notice of the time and place of hearing of the
4 aforesaid matter has been duly and regularly given in the manner
5 required by law; that notice to creditors has been duly published
6 as required by law and Proof of Publication has been filed
7 herein; that all real and personal property taxes, current income
8 taxes, and all Federal and State estate taxes due and payable by
9 said estate have been paid to date; that all of the allegations
10 of said Account and Report and Petitions are true; and no person
11 appearing to oppose or object to the same, NOW, THEREFORE,

12 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that said
13 Executors have in their possession belonging to said estate, after
14 deducting the credits to which they are entitled, a balance of
15 \$2,323,950.80, consisting of cash and cash equivalents in the sum
16 of \$1,456,330.79 and other property described in said Account and
17 Report at a total carrying value of \$867,620.01; and

18 IT IS FURTHER HEREBY ORDERED, ADJUDGED AND DECREED that
19 notice to creditors has been given as required by law; and

20 IT IS FURTHER HEREBY ORDERED, ADJUDGED AND DECREED that
21 said First and Final Account and Report be, and it is hereby,
22 approved, allowed and settled in full as rendered and reported;
23 and

24 IT IS FURTHER HEREBY ORDERED, ADJUDGED AND DECREED that
25 the Executors, Frank L. Mallory and Trust Services of America,
26 Inc., be, and they are hereby, allowed the sum of \$35,967.21 as
27 statutory Executors' commission, said commission to be divided as
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1 follows: \$7,193.44 to Frank L. Mallory and \$28,773.77 to Trust
2 Services of America, Inc.; and

3 IT IS FURTHER HEREBY ORDERED, ADJUDGED AND DECREED that
4 Gibson, Dunn & Crutcher, attorneys for said Executors, be, and
5 they are hereby, allowed the sum of \$35,967.21 as statutory
6 attorneys' fees; and

7 IT IS FURTHER HEREBY ORDERED, ADJUDGED AND DECREED that
8 Trust Services of America, Inc., as Co-Executor, be, and it is
9 hereby, allowed the further sum of \$13,650.00 for additional
10 services of an extraordinary nature; and

11 IT IS FURTHER HEREBY ORDERED, ADJUDGED AND DECREED that
12 final distribution of said estate be, and it is hereby, made as
13 follows:

14 TO: FRANK L. MALLORY and TRUST SERVICES OF AMERICA, as Trustees,
15 IN TRUST, as a perpetual charitable trust:

16 Common Stocks:

17	<u>Amount/Shares</u>	<u>Description</u>
18	16	Bally Manufacturing Corp (Warrant)
19	100	Bankamerica Corp Com
20	16	Chevron Corp Com
21	8,500	Commercial International Corporation
22	146	- Diamond Shamrock Corp Com
23	500	Dome Pete Ltd Com
24	500	E I Du Pont de Nemours Com
25	500	Energy Sources, Inc. Com
26	496	Exxon Corp Com
27	250	Hoe R & Co. Cdm Par \$0.01
28	13,087.566	Hutton E.F. Group Inc

1	5	E F Hutton Tax Ex Tr CA Ser 7
2	40	Inter Business Mach. Com
3	200	LTV Corp Com
4	800	PKL Cos Inc.
5	9,000	Phillips Petroleum Co Com
6	250	Regal International Inc Com
7	500	Santa Anita Rlty Enterprises Inc
8		Combined Ctfs.
9	2,000	Templeton Energy Com
10	2,000	Texaco Inc Com
11	500	Texas Intntl Co Com
12	16	Times Mirror Co Com
13	5,000	Tomahawk Inds. Inc., Com

14 Mutual Funds:

15 5. E F Hutton Tax-Ex Fd Calif Ser 2

16 Preferred Stocks Non-Convertible:

17 490 Phillips Petroleum Co. Pfd Ser A

18 Real Estate: Mineral Rights:

19 Undiv. 1/4 int in all crude oil, petroleum,
 20 gas, brea, asphaltum and all kindred
 21 substances and other minerals under and in
 22 the following land but without right of
 23 surface entry above 500 feet below the
 24 surface of said land, as excepted by Walter
 C. Bateman, Jr., Marlene Miller, Pamela
 Conway, Arthur Johnathon Hess and Pamela
 Conway, as Trustee, under the last will of
 Arthur Hess, deceased, recorded February 3,
 1969:

25 Parcel 1: The south half of the north half
 26 of Lots 1 and 2 of the southwest quarter of
 27 fractional Section 18, Township 31 South,
 28 Range 37 East, Mount Diablo Meridian, in the
 County of Kern, State of California,
 according to the official plat thereof;

1 Parcel 2: The north half of the north half
2 of Lots 1 and 2 of the southwest quarter of
3 fractional Section 18, Township 31 South,
4 Range 37 East, Mount Diablo Meridian, in the
County of Kern, State of California,
according to the official plat thereof.

4 Miscellaneous Assets:

5 Amount owed from the Marion Merrill Bateman

6 Charitable Remainder Trust (\$19,020.17)

7 Taxes withheld by E. F. Hutton on distribution

8 of Deferred Compensation Plans (\$6,493.43)

9 Income cash in the amount of \$59,712.47 (to be adjusted by
10 income and disbursements reflected in the Co-Executors'
11 closing cash statement).

12 Balance of cash (after payment of commission and fees, closing
13 expenses, and payment of income cash due Trustees.

14 All other property of the estate, whether described herein or
15 not.

16 The above distribution to the Co-Trustees of the perpetual
17 charitable trust is subject to the liability for any additional
18 taxes that might be assessed with respect to this estate or
19 against the Executors.

20 The property distributed to FRANK L. MALLORY and TRUST
21 SERVICES OF AMERICA, INC., as Trustees, is distributed to them as
22 Trustees, IN TRUST, as a perpetual charitable trust to be known as
23 the "MARION AND WALTER C. BATEMAN, JR. MEMORIAL FUND," to be held,
24 managed and distributed as follows:

25 The trust estate shall be divided into three

26 (3) equal shares, as follows:
27
28

1 One share shall be held for the benefit of
2 the UNIVERSITY OF NORTH CAROLINA;

3 One share shall be held for the benefit of
4 BOYS REPUBLIC, Chino, California; and

5 One share shall be held for the benefit of
6 ST. VINCENT'S MEDICAL CENTER, Los Angeles, Calif.

7 A. DISTRIBUTION OF INCOME AND PRINCIPAL.

8 1. The income from each share shall be paid out to the
9 beneficiary for whom it is held in convenient installments at
10 least as often as annually. All amounts so paid may be used
11 without restriction by the recipient for its educational,
12 charitable or hospital purposes, as the case may be, but shall be
13 noted on the records of each recipient as being received from the
14 MARION AND WALTER C. BATEMAN, JR. MEMORIAL FUND.

15 2. At any time and from time to time, the Trustees or
16 the Trustee may transfer any part or all of the trust corpus to
17 CALIFORNIA COMMUNITY FOUNDATION upon the agreement of that
18 Foundation to continue to hold the trust fund for the same
19 beneficiary or beneficiaries in the same proportions set forth
20 above. Upon such transfer and acceptance by CALIFORNIA COMMUNITY
21 FOUNDATION, the Trustees or Trustee named herein shall be relieved
22 of all further responsibility with respect to the funds so
23 transferred.

24 B POWERS OF THE TRUSTEES.

25 The Trustees shall have all of the powers set forth in
26 Section 1120.2 of the California Probate Code as said Section read
27 on August 16, 1984, as set forth below.

28

1 C. SUCCESSOR TRUSTEE.

2 Upon the death, resignation or inability to act of FRANK
3 L. MALLORY as Co-Trustee, TRUST SERVICES OF AMERICA, INC. shall
4 continue to act as sole Trustee. No bond or other security shall
5 be required of any Trustee acting hereunder. No successor Trustee
6 shall be liable for the acts or omissions of a predecessor
7 Trustee, but only for his or its own acts and omissions, nor shall
8 any successor Trustee be required to review or investigate the
9 actions of any prior Trustee.

10 D. COMPENSATION OF TRUSTEES.

11 The Trustees shall be entitled to receive compensation
12 for services as Trustees hereunder at the rate and on the same
13 terms as set forth in the corporate Trustee's established schedule
14 of charges for like services from time to time in effect in the
15 area in which this trust is administered.

16 E. GENERAL PROVISIONS.

17 Subject to any limitations stated elsewhere in this
18 instrument, the following additional provisions shall apply to the
19 trusts and the trust estates created hereunder:

20 1. When the trust estate hereunder is divided into
21 separate shares, each such share shall constitute a separate and
22 distinct trust, but the Trustees shall not be required to make
23 physical segregation of the trust assets and may hold property in
24 undivided interests in each of such trusts. The Trustees may,
25 however, make physical segregation if that seems necessary or
26 advisable in the Trustees' discretion.

27 2. Income accrued or unpaid on trust property when
28 received into the trust shall be treated as any other income.

1 3. Until the Trustees shall receive written notice of
2 any event upon which the right to payments from the trusts may
3 depend, the Trustees shall incur no liability to persons or
4 institutions whose interests may have been affected by that event
5 for disbursements made in good faith.

6 4. The Trustees shall pay out of principal or income as
7 they may elect, or partially out of each in such shares as they
8 determine, property taxes, assessments, charges, attorneys' fees,
9 the Trustees' compensation and other expenses incurred in the
10 administration or protection of the trusts.

11 5. The Trustees shall be fully protected in any action
12 or nonaction taken, permitted or suffered in good faith and in
13 accordance with the opinion of their counsel, and in case of legal
14 proceedings involving the Trustees or the principal or income of
15 the trust estates, the Trustees may defend such proceedings, or
16 may, upon being advised by counsel that such action is necessary
17 or advisable for the protection of the interests of the Trustees
18 or of the beneficiaries, institute any legal proceedings.

19 The powers set forth in Section 1120.2 of the California
20 Probate Code as said Section read on August 16, 1984, are as
21 follows:

22 (1) To manage, control, sell, convey, divide, and to
23 sell upon deferred payments; to lease for terms within or
24 extending beyond the duration of the trust for any purpose
25 including exploration for and removal of gas, oil, or other
26 minerals; to enter into community oil leases.

27 (2) To retain property, including stock of a corporate
28 trustee, and invest and reinvest as provided by law from time to

1 time existing, including investments in any common trust fund now
2 or hereafter established by the corporate co-trustee.

3 (3) To borrow; to place, replace, renew or extend any
4 encumbrance upon any trust property.

5 (4) To participate in voting trusts, pooling agreements,
6 foreclosures, reorganization, consolidation, mergers, and
7 liquidations and in connection therewith, to deposit securities
8 with and transfer title and delegate discretions to any protective
9 or other committee as the Trustees may deem advisable.

10 (5) To acquire or dispose of an asset, for cash or on
11 credit, at public or private sale; and to exchange, partition,
12 change the character of, or abandon a trust asset or any interest
13 therein.

14 (6) To make ordinary or extraordinary repairs or
15 alterations in buildings or other trust property, to demolish any
16 improvements, to raze existing or erect new party walls or
17 buildings.

18 (7) To subdivide, develop, or dedicate land to public
19 use; or to make or obtain the vacation of plats and adjust
20 boundaries; or to adjust differences in valuation on exchange or
21 partition by giving or receiving consideration; or to dedicate
22 easements to public use without consideration.

23 (8) To grant an option involving disposition of a trust
24 asset, or to take an option for the acquisition of any asset.

25 (9) To vote a security, in person or by general or
26 limited proxy.

27 (10) To pay calls, assessments, and any other sums
28 chargeable or accruing against or on account of securities.

1 (11) To sell or exercise stock subscription or conversion
2 rights.

3 (12) To hold a security in the name of a nominee or in
4 other form without disclosure of the trust, so that title to the
5 security may pass by delivery, but the Trustees are liable for any
6 act of the nominee in connection with the security so held.

7 (13) To insure the assets of the trust against damage or
8 loss, and the Trustees against liability with respect to third
9 persons.

10 (14) To advance money for the protection of the trust,
11 and for all expenses, losses, and liabilities sustained in the
12 administration of the trust or because of the holding or ownership
13 of any trust assets, for which advances with any interest the
14 Trustees have a lien on the trust assets as against the
15 beneficiary.

16 (15) To pay or contest any claim; to settle a claim by
17 or against the trust by compromise, arbitration, or otherwise;
18 and to release, in whole or in part, any claim belonging to the
19 trust to the extent that the claim is uncollectible; to
20 institute, compromise and defend actions and proceedings.

21 (16) To pay taxes, assessments, compensation of the
22 Trustees, and other expenses incurred in the collection, care,
23 administration, and protection of the trust.

24 (17) To continue or participate in any business or other
25 enterprise and to effect incorporation, dissolution, or other
26 change in the form of organization of the business or enterprise.

27 Dated: MAY 19 1987

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Ibsen, Dunn & Crutcher

4377M

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Judge
JULIUS A. LEETHAM

OK'd
E.S.

THE DOCUMENT TO WHICH THIS CERTIFICATE IS
ATTACHED IS A FULL, TRUE, AND CORRECT COPY
OF THE ORIGINAL ON FILE AND OF RECORD IN
MY OFFICE.

APR 28 1994

ATTEST _____

EDWARD M. KRITZMAN

Executive Clerk of the Superior
Court of California County of Los Angeles.

By *E. M. Kritzman*, Deputy

