

Return of Private Foundation or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation

2010

Department of the Treasury Internal Revenue Service

Note The foundation may be able to use a copy of this return to satisfy state reporting requirements

For calendar year 2010, or tax year beginning 7/01, 2010, and ending 12/31, 2010

G Check all that apply: Initial return, Amended return, Initial Return of a former public charity, Address change, Name change, Final return

VERA P VIETOR 712230 C/O LISA K. HANSEN, CLPF, NCG 1315 FOURTH STREET EUREKA, CA 95501

A Employer identification number 20-7218165 B Telephone number (707) 476-0674 C If exemption application is pending, check here D 1 Foreign organizations, check here 2 Foreign organizations meeting the 85% test, check here and attach computation E If private foundation status was terminated under section 507(b)(1)(A), check here F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

H Check type of organization: Section 501(c)(3) exempt private foundation, Section 4947(a)(1) nonexempt charitable trust, Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, column (c), line 16) J Accounting method: Cash, Accrual, Other (specify)

Table with 4 columns: (a) Revenue and expenses per books, (b) Net investment income, (c) Adjusted net income, (d) Disbursements for charitable purposes. Rows include Revenue (1-12), Administrative Expenses (13-23), and Total (24-27).

SCANNED NOV 09 2011 OPERATING AND ADMINISTRATIVE EXPENSES

RECEIVED NOV 07 2011 COUNCIL, UT

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end of year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
ASSETS	1	Cash – non-interest-bearing		199,454.		
	2	Savings and temporary cash investments				
	3	Accounts receivable				
		Less allowance for doubtful accounts				
	4	Pledges receivable				
		Less allowance for doubtful accounts				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see the instructions)				
	7	Other notes and loans receivable (attach sch)				
		Less allowance for doubtful accounts				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments – US and state government obligations (attach schedule)				
	b	Investments – corporate stock (attach schedule)		2,116,773.		
	c	Investments – corporate bonds (attach schedule)		713,790.		
	11	Investments – land, buildings, and equipment basis				
	Less accumulated depreciation (attach schedule)					
12	Investments – mortgage loans					
13	Investments – other (attach schedule)		691,693.			
14	Land, buildings, and equipment basis					
	Less accumulated depreciation (attach schedule)					
15	Other assets (describe _____)					
16	<b>Total assets</b> (to be completed by all filers – see instructions Also, see page 1, item I)		3,721,710.	0.	0.	
LIABILITIES	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, & other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe _____)				
	23	<b>Total liabilities</b> (add lines 17 through 22)		0.	0.	
NET ASSETS OR FUND BALANCES	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input type="checkbox"/>					
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" type="checkbox"/>					
	27	Capital stock, trust principal, or current funds		3,721,710.		
	28	Paid-in or capital surplus, or land, building, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds				
30	<b>Total net assets or fund balances</b> (see the instructions)		3,721,710.	0.		
31	<b>Total liabilities and net assets/fund balances</b> (see the instructions)		3,721,710.	0.		

**Part III Analysis of Changes in Net Assets or Fund Balances**

1	Total net assets or fund balances at beginning of year – Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	3,721,710.
2	Enter amount from Part I, line 27a	2	-3,858,750.
3	Other increases not included in line 2 (itemize) <input type="checkbox"/> SEE STATEMENT 5	3	137,040.
4	Add lines 1, 2, and 3	4	0.
5	Decreases not included in line 2 (itemize) <input type="checkbox"/>	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	0.

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
<b>1 a SEE STATEMENT 6</b>			
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
<b>a</b>			
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
<b>a</b>			
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			

<b>2</b> Capital gain net income or (net capital loss) <span style="float:right">[ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 ]</span>	<b>2</b>	3,157.
<b>3</b> Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see the instructions) If (loss), enter -0- in Part I, line 8 <span style="float:right">]</span>	<b>3</b>	3,527.

**Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income**

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?  Yes  No  
 If 'Yes,' the foundation does not qualify under section 4940(e) Do not complete this part

**1** Enter the appropriate amount in each column for each year, see the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2009	344,291.	3,496,459.	0.098468
2008	317,312.	3,485,364.	0.091041
2007	328,345.	10,154,884.	0.032334
2006	334,126.	5,150,698.	0.064870
2005	376,890.	4,991,638.	0.075504

<b>2</b> Total of line 1, column (d)	<b>2</b>	0.362217
<b>3</b> Average distribution ratio for the 5-year base period — divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	<b>3</b>	0.072443
<b>4</b> Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	<b>4</b>	3,532,520.
<b>5</b> Multiply line 4 by line 3	<b>5</b>	255,906.
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b)	<b>6</b>	305.
<b>7</b> Add lines 5 and 6	<b>7</b>	256,211.
<b>8</b> Enter qualifying distributions from Part XII, line 4	<b>8</b>	3,883,879.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions

**Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 – see the instructions)**

<b>1 a</b> Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1 Date of ruling or determination letter. _____ (attach copy of letter if necessary – see instr.)		
<b>b</b> Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	<b>1</b>	305.
<b>c</b> All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (b)		
<b>2</b> Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	<b>2</b>	0.
<b>3</b> Add lines 1 and 2	<b>3</b>	305.
<b>4</b> Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	<b>4</b>	0.
<b>5 Tax based on investment income.</b> Subtract line 4 from line 3 If zero or less, enter -0-	<b>5</b>	305.
<b>6 Credits/Payments</b>		
<b>a</b> 2010 estimated tax pmts and 2009 overpayment credited to 2010	<b>6 a</b>	363.
<b>b</b> Exempt foreign organizations – tax withheld at source	<b>6 b</b>	
<b>c</b> Tax paid with application for extension of time to file (Form 8868)	<b>6 c</b>	
<b>d</b> Backup withholding erroneously withheld	<b>6 d</b>	
<b>7</b> Total credits and payments Add lines 6a through 6d	<b>7</b>	363.
<b>8</b> Enter any <b>penalty</b> for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached	<b>8</b>	
<b>9</b> Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	<b>9</b>	0.
<b>10</b> Overpayment If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	<b>10</b>	58.
<b>11</b> Enter the amount of line 10 to be Credited to 2011 estimated tax <input type="checkbox"/> <b>Refunded</b> <input checked="" type="checkbox"/>	<b>11</b>	58.

**Part VII-A Statements Regarding Activities**

	Yes	No
<b>1 a</b> During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
<b>b</b> Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions)? <i>If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>		X
<b>c</b> Did the foundation file <b>Form 1120-POL</b> for this year?		X
<b>d</b> Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year <b>(1)</b> On the foundation <input type="checkbox"/> \$ 0. <b>(2)</b> On foundation managers <input type="checkbox"/> \$ 0.		
<b>e</b> Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 0.		
<b>2</b> Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If 'Yes,' attach a detailed description of the activities</i>		X
<b>3</b> Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
<b>4 a</b> Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
<b>b</b> If 'Yes,' has it filed a tax return on <b>Form 990-T</b> for this year?		N/A
<b>5</b> Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If 'Yes,' attach the statement required by General Instruction T</i>		X
<b>6</b> Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
<b>7</b> Did the foundation have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, column (c), and Part XV</i>	X	
<b>8 a</b> Enter the states to which the foundation reports or with which it is registered (see the instructions) CA		
<b>b</b> If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by <i>General Instruction G</i> ? <i>If 'No,' attach explanation</i>	X	
<b>9</b> Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV)? <i>If 'Yes,' complete Part XIV</i>		X
<b>10</b> Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses</i>		X

**Part VII-A Statements Regarding Activities (Continued)**

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see instructions)			X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?			X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <span style="float:right">▶ N/A</span>	X		
14	The books are in care of ▶ <u>LISA K. HANSEN, CLPF, NCG</u> Telephone no ▶ <u>(707) 476-0674</u> Located at ▶ <u>1315 FOURTH STREET EUREKA CA</u> ZIP + 4 ▶ <u>95501</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year	N/A	▶	<input type="checkbox"/>
		▶ 15		N/A
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If 'Yes,' enter the name of the foreign country ▶		Yes	No
				X

**Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required**

**File Form 4720 if any item is checked in the 'Yes' column, unless an exception applies.**

		Yes	No
1 a	During the year did the foundation (either directly or indirectly)		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? ( <b>Exception.</b> Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see the instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	1 b	X
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?	1 c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a	At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If 'Yes,' list the years ▶ 20__ , 20__ , 20__ , 20__		
b	Are there any years listed in 2a for which the foundation is <b>not</b> applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement - see the instructions)	2 b	N/A
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20__ , 20__ , 20__ , 20__		
3 a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If 'Yes,' did it have excess business holdings in 2010 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010)	3 b	N/A
4 a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010?	4 b	X

BAA

**Part VII-B** Statements Regarding Activities for Which Form 4720 May Be Required (continued)

**5a** During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?  Yes  No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?  Yes  No

(3) Provide a grant to an individual for travel, study, or other similar purposes?  Yes  No

(4) Provide a grant to an organization other than a charitable, etc, organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions)  Yes  No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?  Yes  No

**b** If any answer is 'Yes' to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?  **5b** N/A

Organizations relying on a current notice regarding disaster assistance check here

**c** If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?  Yes  No **N/A**

If 'Yes,' attach the statement required by Regulations section 53.4945-5(d)

**6a** Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No **6b** X

If 'Yes' to 6b, file Form 8870

**7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?  Yes  No

**b** If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?  Yes  No **7b** N/A

**Part VIII** Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

**1** List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
WELLS FARGO BANK NA P O BOX 63954 SAN FRANCISCO, CA 94163	TRUSTEE 4.00	17,535.	0.	0.
LISA K. HANSEN, CLPF, NCG 1315 FOURTH STREET EUREKA, CA 95501	TRUSTEE 4.00	1,213.	0.	0.

**2** Compensation of five highest-paid employees (other than those included on line 1 - see instructions). If none, enter 'NONE.'

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000  0

**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors** (continued)

**3** Five highest-paid independent contractors for professional services (see instructions). If none, enter 'NONE'.

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
-----		
-----		
-----		
-----		
-----		
<b>Total</b> number of others receiving over \$50,000 for professional services		0

**Part IX-A Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1 N/A	
2	
3	
4	

**Part IX-B Summary of Program-Related Investments** (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

	Amount	
1 N/A		
2		
All other program-related investments See instructions		
3		
<b>Total.</b> Add lines 1 through 3		0.

**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see instructions.)

<b>1</b> Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
<b>a</b> Average monthly fair market value of securities	<b>1a</b>	3,267,231.
<b>b</b> Average of monthly cash balances	<b>1b</b>	319,084.
<b>c</b> Fair market value of all other assets (see instructions)	<b>1c</b>	
<b>d Total</b> (add lines 1a, b, and c)	<b>1d</b>	3,586,315.
<b>e</b> Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	0.
<b>2</b> Acquisition indebtedness applicable to line 1 assets	<b>2</b>	0.
<b>3</b> Subtract line 2 from line 1d	<b>3</b>	3,586,315.
<b>4</b> Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	53,795.
<b>5 Net value of noncharitable-use assets.</b> Subtract line 4 from line 3 Enter here and on Part V, line 4	<b>5</b>	3,532,520.
<b>6 Minimum investment return.</b> Enter 5% of line 5 SHORT YEAR MODIFIED PERCENTAGE 2.5205 %	<b>6</b>	89,037.

**Part XI Distributable Amount** (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here  and do not complete this part.)

<b>1</b> Minimum investment return from Part X, line 6	<b>1</b>	89,037.
<b>2a</b> Tax on investment income for 2010 from Part VI, line 5	<b>2a</b>	305.
<b>b</b> Income tax for 2010 (This does not include the tax from Part VI)	<b>2b</b>	
<b>c</b> Add lines 2a and 2b	<b>2c</b>	305.
<b>3</b> Distributable amount before adjustments Subtract line 2c from line 1	<b>3</b>	88,732.
<b>4</b> Recoveries of amounts treated as qualifying distributions	<b>4</b>	
<b>5</b> Add lines 3 and 4	<b>5</b>	88,732.
<b>6</b> Deduction from distributable amount (see instructions)	<b>6</b>	
<b>7 Distributable amount</b> as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	<b>7</b>	88,732.

**Part XII Qualifying Distributions** (see instructions)

<b>1</b> Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
<b>a</b> Expenses, contributions, gifts, etc – total from Part I, column (d), line 26	<b>1a</b>	3,883,879.
<b>b</b> Program-related investments – total from Part IX-B	<b>1b</b>	
<b>2</b> Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	
<b>3</b> Amounts set aside for specific charitable projects that satisfy the		
<b>a</b> Suitability test (prior IRS approval required)	<b>3a</b>	
<b>b</b> Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4 Qualifying distributions</b> Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	3,883,879.
<b>5</b> Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	<b>5</b>	305.
<b>6 Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	3,883,574.

**Note.** The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years



**Part XIII Undistributed Income** (see instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				88,732.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			0.	
b Total for prior years: 20 __, 20 __, 20 __		0.		
3 Excess distributions carryover, if any, to 2010				
a From 2005	131,003.			
b From 2006	83,632.			
c From 2007	82,608.			
d From 2008	145,110.			
e From 2009	170,920.			
f Total of lines 3a through e	613,273.			
4 Qualifying distributions for 2010 from Part XII, line 4: \$ 3,883,879.				
a Applied to 2009, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2010 distributable amount				88,732.
e Remaining amount distributed out of corpus	3,795,147.			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	4,408,420.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount - see instructions			0.	
f Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0.			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see instructions)	131,003.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	4,277,417.			
10 Analysis of line 9				
a Excess from 2006	83,632.			
b Excess from 2007	82,608.			
c Excess from 2008	145,110.			
d Excess from 2009	170,920.			
e Excess from 2010	3,795,147.			

**Part XIV Private Operating Foundations** (see instructions and Part VII-A, question 9) N/A

**1 a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, enter the date of the ruling ▶

**b** Check box to indicate whether the foundation is a private operating foundation described in section  4942(j)(3) or  4942(j)(5)

	Tax year				(e) Total
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	
<b>2 a</b> Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
<b>b</b> 85% of line 2a					
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed					
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities					
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
<b>3</b> Complete 3a, b, or c for the alternative test relied upon					
<b>a</b> 'Assets' alternative test – enter					
<b>(1)</b> Value of all assets					
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i)					
<b>b</b> 'Endowment' alternative test – enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
<b>c</b> 'Support' alternative test – enter					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
<b>(3)</b> Largest amount of support from an exempt organization					
<b>(4)</b> Gross investment income					

**Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year – see instructions.)**

**1 Information Regarding Foundation Managers:**  
**a** List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2) )  
 NONE

**b** List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest  
 NONE

**2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc, Programs:**  
 Check here  if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc, (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

**a** The name, address, and telephone number of the person to whom applications should be addressed

**b** The form in which applications should be submitted and information and materials they should include

**c** Any submission deadlines

**d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

**Part XV** Supplementary Information (continued)

**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<i>a Paid during the year</i> HUMBOLDT AREA FOUNDATION 373 INDIANOLA RD BAYSIDE, CA 95524	NONE	EXEMPT	CHARITABLE	783,527.
HUMBOLDT AREA FOUNDATION 373 INDIANOLA RD BAYSIDE, CA 95524	NONE	EXEMPT	CHARITABLE	3,095,362.
<b>Total</b>				▶ <b>3a</b> 3,878,889.
<i>b Approved for future payment</i>				
<b>Total</b>				▶ <b>3b</b>



**Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations**

**1** Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

**a** Transfers from the reporting foundation to a noncharitable exempt organization of

- (1)** Cash
- (2)** Other assets

**b** Other transactions

- (1)** Sales of assets to a noncharitable exempt organization
- (2)** Purchases of assets from a noncharitable exempt organization
- (3)** Rental of facilities, equipment, or other assets
- (4)** Reimbursement arrangements
- (5)** Loans or loan guarantees
- (6)** Performance of services or membership or fundraising solicitations

**c** Sharing of facilities, equipment, mailing lists, other assets, or paid employees

	Yes	No
<b>1 a (1)</b>		<b>X</b>
<b>1 a (2)</b>		<b>X</b>
<b>1 b (1)</b>		<b>X</b>
<b>1 b (2)</b>		<b>X</b>
<b>1 b (3)</b>		<b>X</b>
<b>1 b (4)</b>		<b>X</b>
<b>1 b (5)</b>		<b>X</b>
<b>1 b (6)</b>		<b>X</b>
<b>1 c</b>		<b>X</b>

**d** If the answer to any of the above is 'Yes,' complete the following schedule. Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received.


(a) Line no.	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
N/A			

**2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?  Yes  No

**b** If 'Yes,' complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

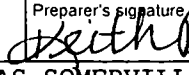
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer or fiduciary) is based on information furnished by taxpayer.

Sign Here 

Signature of officer or trustee

---

Paid Preparer Use Only

Print/Type preparer's name: KEITH D. BORGES      Preparer's signature: 

Firm's name: ANDERSON, LUCAS, SOMERVILL

Firm's address: 1338 MAIN STREET  
FORTUNA, CA 95540

BAA

VERA P VIETOR 712230  
C/O LISA K. HANSEN, CLPF, NCG

20-7218165

**STATEMENT 1**  
**FORM 990-PF, PART I, LINE 11**  
**OTHER INCOME**

	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
PARTNERSHIP INCOME	\$ -817.		
SETTLEMENT PROCEEDS/OTHER	958.		
<b>TOTAL</b>	<b>\$ 141.</b>	<b>\$ 0.</b>	<b>\$ 0.</b>

**STATEMENT 2**  
**FORM 990-PF, PART I, LINE 16A**  
**LEGAL FEES**

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	\$ 5,445.			
<b>TOTAL</b>	<b>\$ 5,445.</b>	<b>\$ 0.</b>	<b>\$ 0.</b>	<b>\$ 0.</b>

**STATEMENT 3**  
**FORM 990-PF, PART I, LINE 18**  
**TAXES**

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAX WITHHELD	\$ 2,559.	\$ 2,559.		
<b>TOTAL</b>	<b>\$ 2,559.</b>	<b>\$ 2,559.</b>	<b>\$ 0.</b>	<b>\$ 0.</b>

**STATEMENT 4**  
**FORM 990-PF, PART I, LINE 23**  
**OTHER EXPENSES**

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ESTIMATED EXCISE TAX PAYMENTS	\$ 56.			
FOREIGN TAX WITHHELD	45.	\$ 45.		
PARTNERSHIP EXPENSES	6,695.	6,695.		
STATE AG FEES	10.			
<b>TOTAL</b>	<b>\$ 6,806.</b>	<b>\$ 6,740.</b>	<b>\$ 0.</b>	<b>\$ 0.</b>

VERA P VIETOR 712230  
C/O LISA K. HANSEN, CLPF, NCG

20-7218165

**STATEMENT 5**  
**FORM 990-PF, PART III, LINE 3**  
**OTHER INCREASES**

COST BASIS ADJUSTMENT	\$ 9,596.
CUMULATIVE CHANGE IN FMV-INVESTMENTS RECORDED AT COST	127,444.
<b>TOTAL</b>	<b><u>137,040.</u></b>

**STATEMENT 6**  
**FORM 990-PF, PART IV, LINE 1**  
**CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

ITEM	(A) DESCRIPTION	(B) HOW ACQUIRED	(C) DATE ACQUIRED	(D) DATE SOLD
1	250 AMERIPRISE FINL INC	PURCHASED	VARIOUS	7/21/2010
2	500 CISCO SYSTEMS INC	PURCHASED	VARIOUS	7/21/2010
3	425 INGERSOLL-RAND PLC	PURCHASED	VARIOUS	7/21/2010
4	300 ISHARES MCSI EAFE	PURCHASED	VARIOUS	7/21/2010
5	1000 TEXAS INSTRUMENTS	PURCHASED	VARIOUS	7/21/2010
6	300 IPATH MSCI INDIA INDEX ETN	PURCHASED	VARIOUS	8/06/2010
7	350 ISHARES INC MSCI SOUTH KOREA INDEX	PURCHASED	VARIOUS	8/06/2010
8	2350 ISHARES INC MSCI HONG KONG INDEX	PURCHASED	VARIOUS	8/06/2010
9	650 QUEST DIAGNOSTICS INC	PURCHASED	VARIOUS	10/05/2010
10	52060 TAXABLE INTERMEDIATE TERM BD FD	PURCHASED	VARIOUS	11/15/2010
11	LONG TERM CAPITAL GAINS	PURCHASED	1/01/1950	9/01/2010
12	NET SHORT TERM CAPITAL GAIN-K-1	PURCHASED	VARIOUS	VARIOUS
13	NET LONG TERM CAPITAL GAIN K-1	PURCHASED	VARIOUS	VARIOUS
14	NET SEC 1231 GAIN (LOSS) K-1	PURCHASED	VARIOUS	VARIOUS

ITEM	(E) GROSS SALES	(F) DEPREC. ALLOWED	(G) COST BASIS	(H) GAIN (LOSS)	(I) FMV 12/31/69	(J) ADJ. BAS. 12/31/69	(K) EXCESS (I) - (J)	(L) GAIN (LOSS)
1	9,338.		16,285.	-6,947.				\$ -6,947.
2	11,230.		11,460.	-230.				-230.
3	15,279.		15,712.	-433.				-433.
4	14,799.		25,020.	-10,221.				-10,221.
5	24,410.		30,026.	-5,616.				-5,616.
6	19,848.		21,203.	-1,355.				-1,355.
7	17,584.		20,053.	-2,469.				-2,469.
8	38,234.		43,898.	-5,664.				-5,664.
9	32,785.		28,243.	4,542.				4,542.
10	525,285.		498,036.	27,249.				27,249.
11	774.		0.	774.				774.
12	0.		76.	-76.				-76.
13	3,605.		0.	3,605.				3,605.
14	0.		2.	-2.				-2.
								<b>TOTAL \$ 3,157.</b>

VERA P VIETOR 712230  
C/O LISA K. HANSEN, CLPF, NCG

20-7218165

**STATEMENT 7**  
**FORM 990-PF, PART VII-A, LINE 5**  
**LIQUIDATION, DISSOLUTION, TERMINATION, OR SUBSTANTIAL CONTRACTION**

**LIQUIDATION, DISSOLUTION, TERMINATION, OR SUBSTANTIAL CONTRACTION**

ORGANIZATION: VERA P. VIETOR TRUST  
TIN: 20-7218165  
TAX YEAR ENDED: SHORT YEAR ENDED DECEMBER 31, 2010

FORM 990-PF, PART VII-A, LINE 5

DURING THE CURRENT YEAR THE FOUNDATION MADE THE FOLLOWING DISTRIBUTION IN TERMINATION.

RECIPIENT'S NAME AND ADDRESS:  
HUMBOLDT AREA FOUNDATION  
373 INDIANOLA AVE  
BAYSIDE, CA 95524

ASSETS DISTRIBUTED:  
CASH AND INVESTMENTS (CORPORATE STOCK, BONDS, MUTUAL FUNDS, PRIVATE EQUITY FUNDS,  
REAL ASSET FUNDS)

FAIR MARKET VALUE:  
\$3,745,796

COST BASIS:  
\$3,618,353

THIS DISTRIBUTION CONSTITUTES A FINAL DISTRIBUTION OF THE FOUNDATION'S ASSETS.  
THE FINAL DISTRIBUTION OF ASSETS WAS MADE BY COURT ORDER ON DECEMBER 30, 2010.



1 Thomas D. Rowe (CSB#121032)  
2 STOKES, ROWE, HAMER & KAUFMAN, LLP  
3 381 Bayside Road  
4 Arcata CA 95521  
5 Telephone: (707)822-1771  
6 FAX: (707)822-1901

7 Attorneys for Petitioner,  
8 HUMBOLDT AREA FOUNDATION

9 SUPERIOR COURT OF CALIFORNIA  
10 COUNTY OF HUMBOLDT

11 Trust created under the Will of ) Case No.: 94PR0389  
12 )  
13 VERA PERROTT VIETOR, ) ORDER TERMINATING THE TRUST  
14 ) CREATED UNDER THE WILL OF VERA  
15 Deceased. ) PERROTT VIETOR, DATED MAY 3,  
16 ) 1972 [PROBATE CODE SECTIONS  
17 ) 15403 & 17200]  
18 )  
19 ) HEARING DATE: 12/30/2010  
20 ) TIME: 1:50 P.M.  
21 ) COURTROOM: 8  
22 )

23 The petition of HUMBOLDT AREA FOUNDATION ("HAF"), sole  
24 beneficiary of the Trust created under the will of Vera Perrott  
25 Vietor dated May 3, 1972 (the "Trust") requesting that this  
26 Court terminate the Trust, came on regularly for hearing before  
27 this court on December 30, 2010.

28 Thomas D. Rowe appeared on behalf of Petitioner.

Based on the clerk's file herein, on oral testimony  
presented by Mr. Rowe, and good cause appearing,

IT IS ORDERED that:

1. The TRUST CREATED UNDER THE WILL OF VERA PERROTT  
VIETOR, DATED MAY 3, 1972 is hereby terminated.

2. LISA K. HANSEN ("HANSEN"), acting trustee of the  
Trust, is hereby authorized and directed, no later than 30 days

FILED  
JAN 5 3 2011  
KAREN C.  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF HUMBOLDT

1 after the date of this order terminating the Trust and after  
2 receipt of HAF's transfer instructions, to deliver the Trust's  
3 assets to HAF, to be held in a charitable trust as a component  
4 fund of the foundation and distributed in the manner and for the  
5 purposes specified in the Will of VERA PERROTT VIETOR dated May  
6 3, 1972, as previously modified by this court;

7 3. Trustee compensation payable from the Trust to LISA K.  
8 HANSEN in an amount equal to one percent of the value of the  
9 Trust's assets as of June 30, 2010 (\$3,404,372), pro-rated on a  
10 daily basis for the period starting with the date of HANSEN's  
11 appointment as successor trustee and ending on the date  
12 following this court's order terminating the Trust when HANSEN  
13 has received transfer instructions from HAF, is hereby allowed.

14 4. The Court hereby accepts the waiver of formal account  
15 of the Humboldt Area Foundation and, upon HANSEN filing receipts  
16 evidencing delivery of Trust assets, releases and discharges  
17 LISA HANSEN from any and all liability for administration of the  
18 Trust.  
19

20 5. The Court approves and directs that \$18,355.14 be paid  
21 to HAF from Trust assets to reimburse HAF for legal fees and  
22 costs reasonably incurred to bring this petition, and that such  
23 additional fees and costs as are reasonably required to  
24 prosecute this petition be reimbursed upon presentation of a  
25 proper claim.

26 Dated: 12-30-10

27 **DALE A. REINHOLTSSEN**

28 

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JUDGE OF THE SUPERIOR COURT

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address) THOMAS D. ROWE, CSB#121032 Stokes, Rowe, Hamer & Kaufman, LLP 381 Bayside Road Arcata, CA 95521 TELEPHONE NO 707.822.1771 FAX NO (Optional) 707.822.1901 E-MAIL ADDRESS (Optional)	FOR COURT USE ONLY
ATTORNEY FOR (Name) Humboldt Area Foundation SUPERIOR COURT OF CALIFORNIA, COUNTY OF HUMBOLDT STREET ADDRESS 825 Fifth Street MAILING ADDRESS CITY AND ZIP CODE Eureka, CA 95501 BRANCH NAME	
<input type="checkbox"/> ESTATE OF (Name) : <input checked="" type="checkbox"/> IN THE MATTER OF (Name) : Trust created under the Will of VERA PERROTT VIETOR <input checked="" type="checkbox"/> DECEDENT <input type="checkbox"/> TRUST <input type="checkbox"/> OTHER	
NOTICE OF HEARING - DECEDENT'S ESTATE OR TRUST	CASE NUMBER: 94PR0389

This notice is required by law.  
This notice does not require you to appear in court, but you may attend the hearing if you wish.

1. NOTICE is given that (name) : HUMBOLDT AREA FOUNDATION

(representative capacity, if any) :

has filed (specify) :\*

PETITION TO TERMINATE THE TRUST CREATED UNDER THE WILL OF VERA PERROTT VIETOR, DATED MAY 3, 1972 [PROBATE CODE SECTIONS 15403 & 17200]

2. You may refer to the filed documents for more information. (Some documents filed with the court are confidential.)

3. A HEARING on the matter will be held as follows:

a Date: 12/30/2010	Time: 1:50 P.M.	Dept.: 8	Room:
--------------------	-----------------	----------	-------

b Address of court  shown above  is (specify) .

Assistive listening systems, computer-assisted real-time captioning, or sign language interpreter services are available upon request if at least 5 days notice is provided. Contact the clerk's office for Request for Accommodations by Persons With Disabilities and Order (form MC-410) (Civil Code section 54 8)



\*Do not use this form to give notice of a petition to administer estate (see Prob. Code, § 8100 and form DE-121) or notice of a hearing in a guardianship or conservatorship (see Prob Code, §§ 1511 and 1822 and form GC-020).



1 Thomas D. Rowe (CSB#121032)  
2 STOKES, ROWE, HAMER & KAUFMAN, LLP  
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4 Arcata CA 95521  
5 Telephone: (707)822-1771  
6 FAX: (707)822-1901

7 Attorneys for Petitioner,  
8 HUMBOLDT AREA FOUNDATION

9  
10 SUPERIOR COURT OF CALIFORNIA

11 COUNTY OF HUMBOLDT

12 Trust created under the Will of ) Case No.: 94PR0389  
13 )  
14 **VERA PERROTT VIETOR,** ) PETITION TO TERMINATE THE TRUST  
15 ) CREATED UNDER THE WILL OF VERA  
16 Deceased. ) PERROTT VIETOR, DATED MAY 3,  
17 ) 1972 [PROBATE CODE SECTIONS  
18 ) 15403 & 17200]  
19 )  
20 ) HEARING DATE: December 30, 2010  
21 ) TIME: 1:50 P.M.  
22 ) COURTROOM: 8  
23 )

24 HUMBOLDT AREA FOUNDATION ("HAF"), sole beneficiary of the  
25 Vietor Trust, seeks to exercise its statutory authority to  
26 terminate the trust because it is no longer necessary, and then  
27 to hold the assets of the trust as a component fund of the  
28 foundation. To that end, HAF alleges and petitions:

1. Lisa K. Hansen ("Hansen") is the successor in interest  
to Wells Fargo Bank N.A. ("WFB"), which in turn was the  
successor in interest to Crocker National Bank, the original  
trustee of the trust created under the will of Vera Perrott  
Vietor dated May 3, 1972 (the "Trust"). Hansen was appointed  
trustee by this court's order dated November 18, 2010 and is the  
acting trustee of the Trust.

1           2.     Petitioner HAF, a nonprofit public benefit corporation  
2 and community foundation with its principal office located at  
3 373 Indianola Road, Bayside, Humboldt County, California, is the  
4 sole beneficiary of the Trust, for the charitable purposes set  
5 forth in the will of Vera Perrott Vietor. Said will specifies  
6 that "[t]he income, but not the principal, of said trust fund  
7 shall be paid to the HUMBOLDT AREA FOUNDATION . . . to be used  
8 for the purposes of the foundation." A copy of the will is  
9 attached as Exhibit A to Peter Pennekamp's declaration (see  
10 paragraph 6 below).

11           3.     The principal place of administration of the Trust is  
12 in Humboldt County.

13           4.     Hansen was appointed trustee of this trust and 4 other  
14 trusts held by WFB for HAF's benefit because WFB objected to  
15 HAF's requests to terminate the trusts. Instead, the bank  
16 agreed to resign as trustee if a successor trustee other than  
17 HAF could be appointed. Hansen agreed to act as successor  
18 trustee with full knowledge that HAF's ultimate intent was to  
19 request the termination of the Trust, a request which she  
20 supports. This is one of five petitions being filed  
21 concurrently to request termination of the trusts formerly held  
22 by WFB.

23           5.     In support of this petition, petitioner has filed  
24 both:

- 25           a.     The DECLARATION OF PETER H. PENNEKAMP IN SUPPORT  
26 OF PETITION TO TERMINATE THE TRUST CREATED UNDER WILL OF  
27 VERA PERROTT VIETOR, DATED MAY 3, 1972; and  
28

1           b.    A MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT  
2           OF PETITION TO TERMINATE THE TRUST CREATED UNDER WILL OF  
3           VERA PERROTT VIETOR, DATED MAY 3, 1972.

4           6.    The Trust comprised the initial gift which established  
5           the Humboldt Area Foundation and the trustee's supervision and  
6           oversight was important for the success of the fledgling  
7           organization. Now, however, such supervision and oversight is  
8           unnecessary because HAF has grown in size and management  
9           capabilities.

10          7.    Since 1972, HAF has grown to be an organization with  
11          \$66.3 million in assets under its direct management (as of June  
12          30, 2010). During the year ended June 30, 2010, HAF received  
13          charitable contributions in the amount of \$6.2 million and made  
14          charitable grants in the approximate amount of \$3.1 million.

15          8.    Since its inception, the Trust has been modified by  
16          this court under this Case Number 94PR0389 in 1994 to substitute  
17          HAF for WFB as trustee holding the Trust's real property (valued  
18          at \$642,163) and in 1996 to adopt HAF's "total return spending  
19          policy." Additionally, based on joint petitions filed with this  
20          court by HAF and WFB, this court has approved payments to HAF  
21          from the Trust of nearly \$1.6 million for the construction of  
22          new facilities and to reimburse legal fees and costs incurred in  
23          defense of the Trust. The value of the Trust's assets as of June  
24          30, 2010 was \$3,404,372, approximately 5 percent of HAF's total  
25          assets.

26          9.    HAF currently operates as a California corporation,  
27          governed by a twelve member Board of Directors, and the  
28          foundation has 24 employees. HAF investments are directed and

1 supervised by the Board of Directors and its Investment  
2 Committee and are independently reviewed annually by Angeles  
3 Investment Advisors. HAF manages other component funds of  
4 similar size to the Trust and is well capable of managing Trust  
5 assets as a component fund.

6 10. Upon termination of the Trust, its assets can be  
7 transferred to HAF to hold in a charitable trust as a component  
8 fund of the foundation. As such, they will become part of HAF  
9 and will no longer be treated as a separate trust. As a  
10 component fund, the assets of the Trust will avoid trustee fees  
11 (\$34,951.74 was charged by WFB for trustee fees for the fiscal  
12 year ended June 30, 2010) and other trustee and administrative  
13 charges, will avoid separate tax reporting requirements, and may  
14 also avoid private foundation tax reporting with its attendant  
15 private foundation and excise taxes.

16 11. The continuation of the Trust will only serve to waste  
17 assets on trustee fees, taxes and other costs which a community  
18 foundation component fund will not incur.

19 12. The Trust is no longer necessary to carry out any  
20 material purpose stated in the Will of VERA PERROTT VIETOR, said  
21 will does not impose any valid restraint on the transfer of  
22 HAF's interest, and thus HAF respectfully submits that it is  
23 authorized by law to compel the Trust's termination.

24 13. Hansen has provided valuable services as trustee, for  
25 which she should be compensated. Petitioner and Hansen have  
26 agreed that a reasonable trustee fee should be one percent of  
27 the Trust's asset value as of June 30, 2010 (\$3,404,372), pro-  
28 rated on a daily basis for the period starting with the date of



1 Hansen's appointment as successor trustee and ending on the date  
2 following this court's order terminating the trust when Hansen  
3 receives transfer instructions from HAF.

4 14. Through October 31, 2010, HAF has incurred reasonable  
5 legal fees and costs in the amount of \$18,355.14 with regard to  
6 this petition and, starting in 2006, efforts and negotiations  
7 with WFB to terminate the Trust. If the Trust is terminated,  
8 HAF believes costs of administering this charitable trust will  
9 be reduced, that charitable grants from Trust assets will be  
10 enhanced and thus that the Trust and its charitable  
11 beneficiaries will be better served. Thus, HAF requests that  
12 \$18,355.14 be reimbursed to it from the Trust, together with  
13 such additional legal fees and costs as are reasonably incurred  
14 to prosecute this petition.

15 WHEREFORE, PETITIONER REQUESTS that:

16 1. The Court terminate the above-entitled trust;

17 2. The Court authorize and direct Hansen, no later than  
18 30 days after the date of this court's order terminating the  
19 Trust, to deliver the Trust's assets to HAF, to be held in a  
20 charitable trust as a component fund of the foundation, from  
21 which the income, but not the principal, shall be used for the  
22 charitable purposes of the foundation;

23 3. The Court approve trustee compensation payable from  
24 the Trust to Lisa K. Hansen in an amount equal to one percent of  
25 the value of the Trust's assets as of June 30, 2010  
26 (\$3,404,372), pro-rated on a daily basis for the period starting  
27 with the date of Hansen's appointment as successor trustee and  
28

1 ending on the date following this court's order terminating the  
2 Trust when Hansen receives transfer instructions from HAF.

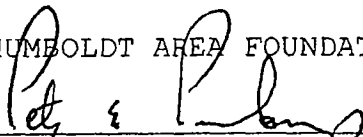
3 4. The Court accept the waiver of formal account of the  
4 Humboldt Area Foundation and, upon Hansen filing receipts with  
5 the Court evidencing delivery of Trust assets, release and  
6 discharge Lisa Hansen from any and all liability for  
7 administration of the Trust.  
8

9 5. The Court approve and direct that \$18,355.14 be paid  
10 to HAF from Trust assets to reimburse HAF for legal fees and  
11 costs reasonably incurred to bring this petition, and that such  
12 additional fees and costs as are reasonably required to  
13 prosecute this petition be reimbursed upon presentation of a  
14 proper claim; and

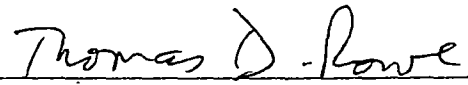
15 6. The Court make such further and proper order as deemed  
16 necessary for the preservation of the Trust and the purposes of  
17 this petition.

18 Dated: November 22, 2010

19  
20 HUMBOLDT AREA FOUNDATION

21   
22 By: Peter H. Pennekamp, Executive  
Director, Petitioner

23 STOKES, ROWE, HAMER & KAUFMAN, LLP

24  
25   
26 THOMAS D. ROWE, Attorney for  
Petitioner

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VERIFICATION

STATE OF CALIFORNIA )  
                          )     ss.  
COUNTY OF HUMBOLDT )

I am the Executive Director of the HUMBOLDT AREA FOUNDATION, the Petitioner herein, and make this verification on behalf of the HUMBOLDT AREA FOUNDATION. I have read the foregoing petition and know the contents thereof. I certify that the matters stated therein are true of my own knowledge, except as to those matters stated upon information and belief, and as to those matters, I believe them to be true.

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

Executed this 22nd day of November, 2010

  
\_\_\_\_\_  
Peter H. Pennekamp

1 Thomas D. Rowe (CSB#121032)  
2 STOKES, ROWE, HAMER & KAUFMAN, LLP  
3 381 Bayside Road  
4 Arcata CA 95521  
5 Telephone: (707)822-1771  
6 FAX: (707)822-1901

7 Attorneys for Petitioner,  
8 HUMBOLDT AREA FOUNDATION

9  
10 SUPERIOR COURT OF CALIFORNIA

11 COUNTY OF HUMBOLDT

12 Trust created under the Will of ) Case No.: 94PR0389  
13 )  
14 VERA PERROTT VIETOR, ) MEMORANDUM OF POINTS AND  
15 ) AUTHORITIES IN SUPPORT OF  
16 Deceased. ) PETITION TO TERMINATE THE TRUST  
17 ) CREATED UNDER THE WILL OF VERA  
18 ) PERROTT VIETOR DATED MAY 3,  
19 ) 1972 [PROBATE CODE SECTIONS  
20 ) 15403 & 17200]  
21 )  
22 ) HEARING DATE: December 30, 2010  
23 ) TIME: 1:50 P.M.  
24 ) COURTROOM: 8

25  
26 MEMORANDUM OF POINTS AND AUTHORITIES

27 I. INTRODUCTION AND SUMMARY OF ARGUMENT

28 Humboldt Area Foundation ("HAF"), Petitioner and sole  
beneficiary of the Trust created under the Will of VERA PERROTT  
VIETOR (the "Trust"), is granted the power under Probate Code  
Section 15403 to compel the termination of the Trust and seeks  
to exercise that power.

II. STATEMENT OF FACTS.

1. See also the DECLARATION OF PETER H. PENNEKAMP IN  
SUPPORT OF PETITION TO TERMINATE THE TRUST CREATED UNDER WILL OF

1 VERA PERROTT VIETOR, DATED MAY 3, 1972, which further describes  
2 the facts outlined in this memorandum.

3 2. The Trust was created under the will of Vera Perrott  
4 Vietor and was funded by a gift from her estate following her  
5 death on June 21, 1972. A copy of the will is attached as  
6 Exhibit A to Peter Pennekamp's declaration. The value of the  
7 Trust's assets as of June 30, 2010 was \$3,404,372.

8 3. HAF is the sole beneficiary of the Trust, the purposes  
9 of which were to create the Humboldt Area Foundation and to  
10 provide for unified control and administration of donations for  
11 charitable purposes.

12 4. The income of the Trust is dedicated to the charitable  
13 purposes of HAF.

14 5. HAF has grown and matured considerably since its  
15 inception in 1972 and no longer requires the supervision of  
16 assets provided by the Trust. The foundation was incorporated on  
17 August 25, 1993, and a twelve member Board of Directors now  
18 governs the foundation. HAF is audited annually, independently  
19 maintains compliance with all regulatory requirements, and  
20 complies with rigorous certification standards.

21 6. HAF, through its Board of Directors and the Board's  
22 Investment Committee, successfully manages its own investments,  
23 which are independently reviewed by Angeles Investment Advisors,  
24 an unrelated investment advisory entity. During the fiscal year  
25 ended June 30, 2010, HAF managed a total of \$66.3 million in  
26 community assets, received \$6.2 million in donor contributions  
27 and distributed approximately \$3.1 million to the community in  
28 programs, grants, and education.

1           7. Cost savings would accrue if the Trust is terminated  
2 and Trust assets are instead managed as a component fund of the  
3 foundation. All trustee fees (\$34,951.74 was charged and paid  
4 for the fiscal year ended June 30, 2010) and other trustee  
5 charges will be permanently eliminated upon termination of the  
6 Trust.

7           8. Termination of the Trust and its conversion to a  
8 component fund of HAF will also lead to tax reporting  
9 efficiencies, elimination of separate tax return preparation  
10 fees, and may also lead to tax savings by eliminating private  
11 foundation and excise taxes and related charges (more than  
12 \$13,000 was paid by the Trust for such expenses for the fiscal  
13 year ended June 30, 2009, although most or all of this has now  
14 been reimbursed or refunded). Wells Fargo Bank as trustee has  
15 not yet filed tax returns for the Trust for the fiscal year  
16 ended June 30, 2010 and HAF is uncertain as to the reports which  
17 the trustee will file.

18           9. Since its inception, the Trust has made considerable  
19 monetary distributions to HAF (nearly \$1.6 million for building  
20 construction and reimbursement of legal fees and costs incurred  
21 to defend the trust). Additionally, HAF has become trustee for  
22 the Trust's real property, valued at \$642,163.

### 23   III. THE LAW

24           10. Authority to Modify Trust. California Probate Code  
25 Section 15403, "Modification or termination of irrevocable trust  
26 by all beneficiaries," states:

1 "(a) Except as provided in subdivision (b), if all beneficiaries  
2 of an irrevocable trust consent they may compel modification or  
3 termination of the trust upon petition to the court.

4 (b) If the continuance of the trust is necessary to carry out a  
5 material purpose of the trust, the trust cannot be modified or  
6 terminated unless the court, in its discretion, determines that  
7 the reason for doing so under the circumstances outweighs the  
8 interest in accomplishing a material purpose of the trust. Under  
9 this section the court does not have discretion to permit  
10 termination of a trust that is subject to a valid restraint on  
11 transfer of the beneficiary's interest as provided in Chapter 2  
12 (commencing with Section 15300)."

13 11. Valid Restraint on Transfer. A valid restraint on  
14 transfer of a beneficiary's interest, as referred to in Probate  
15 Code Section 15403(b) and as described in Chapter 2 (commencing  
16 with Section 15300) would provide that a beneficiary's interest  
17 in income is not subject to voluntary or involuntary transfer  
18 (see Section 15300).

19 12. Beneficiary. California Probate Code Section 24  
20 defines a "beneficiary" as a person to whom a donative transfer  
21 of property is made or that person's successor in interest and  
22 as it relates to a charitable trust includes any person entitled  
23 to enforce the trust.

24 13. Material Purpose. "Section 15403, subdivision (b)  
25 'gives the court some discretion in applying the material  
26 purposes doctrine ...' and was 'intended to provide some degree of  
27 flexibility in applying the material purposes doctrine in  
28 situations where transfer of the beneficiary's interest is not

1 restrained.' (Cal Law Revision Com. com., 54 West's Ann. Prob.  
2 Code, *supra* foll. Section 15403, p. 576.)" *Boys and Girls Club*  
3 *of Petaluma et al v, James J. Walsh, as Cotrustee*, 169 Cal App.  
4 4<sup>th</sup> 1049, 1062. The *Boys and Girls Club* case involved another  
5 charitable trust which was terminated by the beneficiary under  
6 the authority of Section 15403 after the court determined it had  
7 no further material purpose.

8 14. Community Foundation Component Funds. A community  
9 foundation component fund is treated as part of the community  
10 foundation and not as a separate entity, thus avoiding tax  
11 reporting and other requirements of a separate trust.

12 There are five requirements for a fund to be treated as a  
13 component fund of a community foundation rather than as a  
14 separate trust:

- 15 a. The donor must have made a completed gift;
- 16 b. The gift must be for a charitable purpose;
- 17 c. If the fund is a separate legal entity, such as a  
18 trust, then the organizational legal documents of  
19 the community foundation must meet the single  
20 entity requirements contained in the tax  
21 regulations for community trusts (Treas. Reg.  
22 Section 1.170A-9(e)(11)(ii)(A));
- 23 d. If the fund is a separate legal entity it must  
24 subject itself to the common governing instrument  
25 of the community foundation (Treas. Reg. Section  
26 1.170A-9(e)(iv); and
- 27 e. The fund may not be directly or indirectly  
28 subjected by the donor to any "material



1 restriction" or condition (as that term is  
2 defined in the private foundation tax  
3 regulations) with respect to the transferred  
4 assets. (Treas. Reg. Section 1.170A-  
5 9(e)(11)(ii)(B).) See also, with general regard  
6 to component funds of community foundations,  
7 *Legal Compendium for Community Foundations* by  
8 Christopher R. Hoyt, published 1996 for the  
9 Council on Foundations, Washington, D.C.

10 A "material restriction" is a restriction or condition that  
11 prevents a community foundation from "freely and effectively  
12 employing the transferred assets, or the income derived  
13 therefrom, in furtherance of its exempt purposes." (Treas. Reg.  
14 Sections 1.170A-9(e)(11)(ii)(B) and 1.507-2(a)(8).)

#### 15 IV. ANALYSIS

16 15. HAF is the sole beneficiary of the Trust.

17 16. As sole beneficiary, HAF is authorized to compel the  
18 termination of the Trust unless its continuance is necessary to  
19 carry out a material purpose of the trust or if the trust  
20 imposes a valid restraint on transfer of HAF's interest.

21 17. The trust imposes no such valid restraint, nor is  
22 there any purpose to continue the Trust as all its functions can  
23 be carried out by HAF independently. Savings from termination  
24 of the trust can enhance expenditures for Trust purposes.

25 18. The Trust's assets can qualify for treatment as a  
26 component fund of HAF. The Trust represents a completed gift for  
27 a charitable purpose, as would its successor component fund. If  
28 the Trust is terminated and its assets conveyed to HAF, the

1 resulting component fund would not be a separate legal entity.  
2 There are no material restrictions imposed on the Trust by the  
3 donor. Thus, all five requirements of a component fund would be  
4 satisfied upon termination of the trust and transfer of the  
5 Trust's assets to HAF.

6 V. CONCLUSION

7 19. The assets of the Trust were instrumental in the  
8 initial establishment of HAF in 1972 and the Trust provided  
9 structure and oversight that was initially needed when HAF was a  
10 new organization. Now, however, HAF's organization has grown and  
11 matured, the assets of the Trust are but a small fraction of  
12 HAF's total corpus, and HAF can responsibly and more  
13 economically manage the Trust's assets as a component fund  
14 within its much larger overall portfolio. The termination of  
15 the Trust will eliminate unnecessary costs and charges, thus  
16 increasing funds available to accomplish the Trust's charitable  
17 purposes. The Trust is no longer necessary to carry out the  
18 material purpose stated in the Will of VERA PERROTT VIETOR, the  
19 Trust does not impose any valid restraint on the transfer of  
20 HAF's interest, and therefore HAF, as sole beneficiary of the  
21 Trust, is authorized by law to compel the Trust's termination.  
22 HAF can readily accept the Trust's assets to be held and managed  
23 as one of its component funds.

24 DATED: November 22, 2010 Respectfully submitted,

25 STOKES, ROWE, HAMER & KAUFMAN, LLP

26 By: Thomas D. Rowe  
27 Thomas D. Rowe,  
28 Attorneys for Petitioner,  
Humboldt Area Foundation

1 THOMAS D. ROWE, CSB#121032  
2 STOKES, ROWE, HAMER & KAUFMAN, LLP  
3 381 Bayside Road  
4 Arcata, CA 95521  
5 Tel: 707.822.1771  
6 Fax: 707.822.1901  
7 Email: tom@srhklaw.com

8 Attorneys for Petitioner,  
9 HUMBOLDT AREA FOUNDATION

10 SUPERIOR COURT OF CALIFORNIA, COUNTY OF HUMBOLDT

11 Trust created under the Will of ) Case No.: 94PR0389  
12 )  
13 VERA PERROTT VIETOR, ) DECLARATION OF PETER H.  
14 ) PENNEKAMP IN SUPPORT OF  
15 Deceased. ) PETITION TO TERMINATE THE TRUST  
16 ) CREATED UNDER WILL OF VERA  
17 ) PERROTT VIETOR, DATED MAY 3,  
18 ) 1972  
19 )  
20 ) HEARING DATE: December 30, 2010  
21 ) TIME: 1:50 P.M.  
22 ) COURTROOM: 8  
23 )  
24 )

25 I, PETER H. PENNEKAMP, declare:

26 1. I am the Executive Director of the Humboldt Area  
27 Foundation ("HAF"). The HAF Board of Directors has authorized  
28 me to make this declaration in support of a petition to  
terminate the Trust which was created under the will of Vera  
Perrott Vietor (the "Trust") and funded by a gift from her  
estate following her death on June 21, 1972.

1 The original trustee was Crocker National Bank. Wells  
2 Fargo Bank ("WFB") became successor trustee of the Trust  
3 following its acquisition of Crocker National Bank. Upon the  
4 recent resignation of WFB as trustee, Lisa K. Hansen was  
5 appointed successor trustee of the Trust.

1           3.    HAF is the sole beneficiary of the Trust, the income  
2 of which is dedicated to charitable purposes in and around  
3 Humboldt County, California. The Trust was funded by a gift  
4 under the will of Vera Perrott Vietor, the purpose of which was  
5 to create the Humboldt Area Foundation and to provide for  
6 unified control of the administration of donations for  
7 charitable purposes. Attached hereto as **Exhibit A** is a copy of  
8 the will of Vera Perrott Vietor, a resident of Humboldt County,  
9 which was administered through probate as Matter No. 19874 in  
10 the Humboldt County Superior Court.

11           4.    HAF has desired for many years to request the  
12 termination of the Trust, and for the last year has actively  
13 pursued discussions with WFB to accomplish the trust's  
14 termination. When it was perceived that those discussions would  
15 not bear fruit, HAF filed a petition to terminate the trust and  
16 was informed by WFB that: 1) it would vigorously defend its  
17 position as trustee; but 2) if HAF could identify a successor  
18 trustee to take office, WFB would not object and would join in a  
19 petition for the court to approve its resignation in favor of  
20 the new successor trustee. To avoid litigation, HAF identified  
21 Lisa K. Hansen ("Hansen"), a California Licensed Professional  
22 Fiduciary, as its nominee to become successor trustee, and she  
23 agreed to serve with full knowledge that another petition would  
24 be filed for termination of the Trust. This court approved  
25 WFB's resignation and the appointment of Hansen as successor  
26 trustee in its order dated November 18, 2010.

27           5.    The Trust has been modified over the years through  
28 petitions filed with this court under this Case Number 94PR0389,

1 including: 1) the 1994 modification with regard to the Trust's  
2 real property (valued at \$642,163) for which HAF replaced WFB as  
3 trustee; b) the 1996 modification to adopt for the Trust HAF's  
4 "total return spending policy." Also, based on joint petitions  
5 filed with this court by HAF and WFB, the court approved  
6 payments to HAF from the trust to reimburse \$1,404,971.00 in  
7 costs incurred by HAF for the construction of new public  
8 facilities and for \$173,544.78 in legal fees and costs incurred  
9 in defense of the Trust. Thus, significant assets of the Trust  
10 have already been transferred to HAF and less remains under the  
11 management of the trustee.

12 6. HAF has grown considerably in its management  
13 capabilities since its inception in 1972 and no longer requires  
14 the supervision of assets provided by the Trust. HAF was  
15 incorporated on August 25, 1993, a twelve member Board of  
16 Directors now governs the foundation, and HAF now has 24  
17 employees.

18 7. HAF is audited annually, independently maintains  
19 compliance with all regulatory requirements, and complies with  
20 the rigorous National Standards for U.S. Community Foundations,  
21 as certified by the national Council on Foundations.

22 8. HAF, through its Board of Directors, the Board's  
23 Investment Committee, and HAF's capable employees, successfully  
24 manages its own investments. Angeles Investment Advisors, an  
25 unrelated entity, performs an annual investment review which is  
26 presented at a public meeting and made available to the public.

27 9. During the fiscal year ended June 30, 2010, HAF  
28 managed a total of \$66.3 million in community assets, received

1 \$6.2 million in donor contributions and distributed  
2 approximately \$3.1 million to the community in programs, grants,  
3 and education. The total value of the remaining assets of the  
4 Trust was \$3,404,372.18 as of June 30, 2010. The assets of the  
5 Trust were instrumental in the establishment of HAF, and they  
6 remain an important source of income, but these assets now  
7 comprise only a small fraction of HAF'S total corpus (5.13% as  
8 of June 30, 2010). HAF manages the assets of several other  
9 component funds of similar size to the Trust, including three  
10 which exceed the value of the Trust (these are the Orvamae  
11 Emmerson Endowment Fund, the Ernest & May Freeman Trust Fund and  
12 the Union Labor Health Foundation). HAF's annual report and  
13 donor yearbooks, which graphically demonstrate the growth and  
14 diversity of funds currently under HAF management, are available  
15 on HAF's website at [http://www.hafoundation.org/haf/about-](http://www.hafoundation.org/haf/about-us/financial.html)  
16 [us/financial.html](http://www.hafoundation.org/haf/about-us/financial.html).

17 10. Through its petition, HAF requests the Court to  
18 confirm HAF's power under the California law to terminate the  
19 Trust and to enter an order which will allow HAF to manage the  
20 Vietor Trust's assets as a component fund of the foundation. No  
21 change would be made to the purposes served by these assets, as  
22 established by the will of Vera Perrott Vietor, which would  
23 apply to HAF's component fund just as they apply to the Trust.  
24 As I explain herein, there is no longer any purpose served by  
25 maintaining the Trust and from a fiscal point of view it is in  
26 the interest of HAF and the community it serves for the Trust to  
27 end. Given HAF's capabilities, the HAF Board believes this  
28 independence will make operations more efficient, enhance the

1 Trust's fund balance, and increase the amounts of charitable  
2 grants which can be made from the Trust.

3 11. With regard to fees alone, HAF has conducted a review  
4 of fees charged by the trustee and concludes that cost savings  
5 would accrue if the Trust is terminated and Trust assets managed  
6 as a component fund of the foundation. For the fiscal year ended  
7 June 30, 2010, for example, the Trust incurred charges for  
8 trustee fees in the amount of \$34,951.74. All trustee fees and  
9 other related trustee charges will be permanently eliminated  
10 upon termination of the Trust.

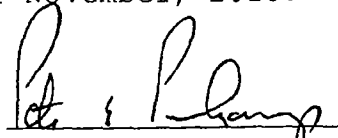
11 12. Termination of the Trust and its conversion to a  
12 component fund of HAF may also lead to tax reporting  
13 efficiencies and tax savings. For the fiscal year ended June 30,  
14 2009, WFB treated the Trust as a private foundation and the  
15 Trust incurred more than \$13,000 in tax preparation fees,  
16 private foundation and excise taxes, and related charges. Many,  
17 if not all of these charges have been reimbursed or refunded to  
18 the Trust and it appears WFB may have concluded that the Trust  
19 is not a private foundation, but we have not yet seen tax  
20 returns for the fiscal year ended June 30, 2010. In any case,  
21 all these charges will be permanently eliminated upon  
22 termination of the trust and its conversion to a component fund  
23 of HAF.

24 13. For all the reasons stated above, HAF requests that  
25 the Court order the termination of the Trust and order that the  
26 assets of the Trust should be transferred to a component fund of  
27 HAF, to be held, administered and distributed for the same  
28 charitable purposes as now define its use.

1           14. Since 2006, HAF has been working with Thomas D. Rowe,  
2 its local attorney, on strategies and negotiations to terminate  
3 the Vietor Trust and four other similar trusts held by WFB for  
4 the benefit of HAF. Late in 2008, HAF engaged attorney Derek  
5 Howard, then with Murray & Howard, LLP, to review documents  
6 regarding the trusts, and to consult with HAF regarding the  
7 termination of these trusts. Both attorneys worked on these  
8 matters which have culminated in WFB's resignation as trustee,  
9 the appointment of Hansen as successor trustee, and the instant  
10 petitions to terminate the trusts. Through October 31, 2010,  
11 HAF has paid \$25,342.58 in attorney fees for this legal work.  
12 HAF believes its efforts in this regard will enhance the ability  
13 of all five of the former WFB trusts to serve their charitable  
14 purposes, that the legal fees incurred are reasonable, and thus  
15 that a portion of these legal fees should be reimbursed from  
16 each of the five trusts (proportionate to their values). We have  
17 calculated that the share properly allocable to the Trust is  
18 \$18,355.14.

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

21           Executed this 22nd day of November, 2010.

22  
23   
24 PETER H. PENNEKAMP



19874

W I L L  
O F  
VERA PERROTT VIETOR

Fred J. Moore, Jr.  
COUNTY CLERK

FILED JUL 18 1972 FILED  
By Rosalind Williams  
DEPUTY

I, VERA PERROTT VIETOR, now residing in the County of Humboldt, State of California, declare this to be my Last Will and Testament, hereby revoking any and all Wills and Codicils to Wills heretofore made by me.

FIRST: I declare that I am a widow, and that I have no child, children, or issue.

SECOND: I give to the persons hereinafter named in this Article SECOND the following bequests:

EMMA VIETOR MAITLAND, who now resides in Grand Rapids, Michigan, and is the sister of the late William Vietor, who was the father of my late husband, Lynn A. Vietor, TEN THOUSAND (\$10,000.00) DOLLARS;

TILLIE NONEMAN, who now resides in Grand Rapids, Michigan, and is the sister of the late Cornelia Vietor, who was the mother of my late husband above named, TEN THOUSAND (\$10,000.00) DOLLARS;

MARCELLA HUTCHISON, who now resides in Grand Rapids, Michigan, and is the daughter of Tillie Noneman, all of the diamond rings which will be in my safe deposit box at the time of my death, and cash in the sum of FIFTEEN THOUSAND (\$15,000.00) DOLLARS;

DOROTHY GEISTERT, who now resides in Grand Rapids, Michigan, and is a daughter of Ed Vietor, brother of said William Vietor, TEN THOUSAND (\$10,000.00) DOLLARS;

JUL 18 1972

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Page 135

EXHIBIT  
A

0005

DOLLY COFFELT, who now resides at Indianola near Eureka, California, in appreciation of her kindness and invaluable help to me for more than twenty (20) years, TEN THOUSAND (\$10,000.00) DOLLARS.

THIRD: I give to the persons hereinafter named in this Article THIRD, cash in the amounts set forth opposite their respective names:

HENRY W. PERROTT, my brother, and BLANCHE PERROTT, his wife, or the survivor, FIFTY THOUSAND (\$50,000.00) DOLLARS;

ROBERT WILLIAM PERROTT, son of Henry W. Perrott, cash in the sum of FIFTY THOUSAND (\$50,000.00) DOLLARS;

JOHN RICHARD PERROTT, son of said Henry W. Perrott, FIFTY THOUSAND (\$50,000.00) DOLLARS;

SALLY PERROTT HAMMACK, daughter of Henry W. Perrott, FIFTY THOUSAND (\$50,000.00) DOLLARS;

HENRY ALBERT PERROTT, son of Henry W. Perrott, FIFTY THOUSAND (\$50,000.00) DOLLARS;

CAROL ANN PERROTT, daughter of Henry W. Perrott, FIFTY THOUSAND (\$50,000.00) DOLLARS.

FOURTH: To CROCKER NATIONAL BANK, a National Banking Association, cash in the sum of THREE HUNDRED THOUSAND (\$300,000.00) DOLLARS, in trust, however, to be held and administered for the following uses and purposes:

(1) The trust estate shall be known as the "LYNN A. VIETOR AND VERA PERROTT VIETOR TRUST." The net income, but not the principal, of said trust estate shall be used for the establishment of a scholarship or scholarships

JUL 18 1972

Entered ~~115~~

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for the benefit of the issue of my said brother, HENRY W. PERROTT. The amount of such scholarships for the respective issue of my said brother shall be determined by my said Trustee.

(2) The trust for which provision is hereby made shall continue until ten (10) years after the death of the last to die of all the now-living descendants of said HENRY W. PERROTT, at which time the trust shall vest as hereinafter provided. To the best of my knowledge and belief, the youngest descendant of HENRY W. PERROTT living at the present time is ANGELIQUE PERROTT, who was born on February 17, 1970.

(3) My said Trustee shall own, hold, manage care for and protect this trust fund and the income thereof, and shall have the power, and the power is hereby granted to it to invest, reinvest, loan, sell, assign, pledge, divide, lease, or otherwise transfer, convey, dispose of, manage or supervise all or any part of said trust fund upon such terms, for such price, and upon such conditions as my said Trustee shall deem for the best interests of my trust estate and the beneficiaries thereof. My Trustee shall have the authority to determine what is principal and what is interest of the trust.

(4) The income arising from this trust fund is intended for the sole and individual use and enjoyment of deserving students who are and shall be the issue of said HENRY W. PERROTT, and no beneficiary shall in any event sell, assign, transfer, convey, pledge, or otherwise encumber his or her interest in this fund. My Trustee shall have the right and option to cease making payments to any beneficiary should it deem such action advisable.

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(5) The Trustee is authorized to retain in the trust, for such time as it may deem advisable, any property received by it hereunder, including shares of the Trustee's own stock, whether or not of the character permitted by law for the investment of trust funds; and to continue and operate any business which it may receive hereunder, so long as in its absolute discretion the Trustee may deem it advisable to do so.

(6) The Trustee is authorized to loan or advance its own funds to the trust for any purpose thereof, at the then-current rate of interest, and any such loan or advance, together with interest, shall be a first lien against the trust estate and shall be repaid therefrom.

(7) The Trustee may hold securities or other property in this trust in its name as Trustee hereunder, or in its own name or in the name of its nominee, or the Trustee may hold such securities unregistered in such condition that ownership will pass by delivery.

(8) All property taxes, assessments, fees, charges, and other expenses incurred by the Trustee in the administration or protection of this trust, including the compensation allowed by the Court to the Trustee for its services hereunder, shall be a charge upon the trust estate, and shall be paid by the Trustee in full out of the principal or in full out of the income of the trust estate, or partially out of each of them, in such manner and proportions as the Trustee in its absolute discretion may determine to be advisable, prior to final distribution of the trust property; and the determination of the Trustee with respect to all such matters shall be conclusive upon all persons howsoever interested in this trust.

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(9) The Trustee shall have full power and authority to determine, in its absolute discretion, what shall constitute principal of the trust estate, gross income therefrom, and net income distributable under the terms of this trust, except as herein otherwise specifically provided, and the determination of the Trustee with respect to all such matters shall be conclusive upon all persons howsoever interested in this trust.

(10) Any successor of CROCKER NATIONAL BANK, a National Banking Association, whether through sale or transfer of its business or its Trust Department, conversion, consolidation, merger, resignation as Trustee hereunder, or otherwise, shall forthwith become the successor Trustee hereunder, and shall succeed to all title of the Trustee to the trust estate, and all powers, rights, discretions, obligations and immunities of the Trustee hereunder, with the same effect as though such successor were originally named herein as Trustee.

(11) At the time specified in Article THIRD, Paragraph (2) above, the residue of the trust shall vest in the then-living issue of HENRY W. PERROTT, by right of representation.

FIFTH: All of the rest, residue, and remainder of my estate and property, including my home near Indianola, Humboldt County, California, and all of the real property owned by me at that location, I give to CROCKER NATIONAL BANK, a National Banking Association, to be held and administered for the following uses and purposes:

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The income, but not the principal, of said trust fund shall be paid to the HUMBOLDT AREA FOUNDATION, hereinafter called "Foundation," to be used for the purposes of the Foundation.

The Foundation has been created by a Declaration of Trust executed by me this date, and has been funded by an initial contribution of ONE THOUSAND (\$1,000.00) DOLLARS from me to the Foundation.

My home and the real property mentioned above shall be used in perpetuity as a headquarters building and the office of the Foundation. It has been one of the great pleasures of my life to leave this beautiful real property in its native and unspoiled condition, and it is my direction that the real property, and all of it, shall be open to members of the public to use and enjoy, subject to reasonable regulations to be prescribed by the Governing Board of the Foundation. I direct that the property shall not be despoiled by picnic tables, barbecue pits, swimming pools, or like improvements usually associated with public parks. Should the letter or the spirit of these provisions be breached at any future time, this trust shall terminate, and shall vest in the then-living issue of HENRY W. PERROTT, by right of representation. I further request that a suitable granite boulder be obtained on which shall be mounted a brass plaque with the following words inscribed thereon: "This park was given in memory of LYNN A. VIETOR, September 26, 1897 - April 11, 1972, by his wife, VERA PERROTT VIETOR."

SIXTH: I declare that except as otherwise provided in this will, I have intentionally omitted to provide herein for any of my heirs. If any person not named

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as a beneficiary of this will shall contest or attack this will, or object to any provision hereof, I give to such person so contesting, attacking, or objecting the sum of ONE (\$1.00) DOLLAR, in lieu of any provision which I might have made herein for such person. If any beneficiary under this will shall in any manner contest or attack this will, or object to any provision hereof, then any share or interest in my estate given to such contesting, attacking, or objecting beneficiary is hereby revoked, and shall be disposed of in the same manner provided herein as if such beneficiary had predeceased me.

SEVENTH: I hereby nominate and appoint said CROCKER NATIONAL BANK, a National Banking Association, to act as sole Executor of this, my Last Will and Testament I hereby authorize my Executor to sell, at either public or private sale, encumber or lease the property belonging to my estate either with or without notice, subject to such confirmation of Court as may be required by law, and to hold, manage, and operate any such property.

EIGHTH: All inheritance tax, estate tax, or other death taxes that may by reason of my death be due upon or in connection with my probate estate or any portion thereof, together with all inheritance, estate, or other death taxes that may by reason of my death be due upon or in connection with any property or transfers thereof outside of my probate estate, shall be paid by my Executor out of the residue of my probate estate, and shall not be charged against or collected from any devisee, legatee, or

beneficiary of my probate estate, or any transferee or beneficiary of any taxable property outside of my probate estate.

I subscribe my name to this Will this 5 day of May, 1972.

*Vera Perrott Viotor*

Vera Perrott Viotor

On the date last above written. VERA PERROTT VIOTOR declared to us, the undersigned, that the foregoing instrument, consisting of eight pages including the page signed by us as witnesses, was her will and requested us to act as witnesses to it. She thereupon signed this will in our presence, all of us being present at the same time. We now, at her request, in her presence, and in the presence of each other, subscribe our names as witnesses.

*Ellen A. Duseck*

Residing at Eureka, California

*Louise M. Hansen*

Residing at Eureka, California

*4 11 1972*

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