

WILL  
OF  
BEULAH B. VANNOY

W I L L

I, BEULAH B. VANNOY, of Fleetwood, Ashe County, North Carolina, a citizen of the United States of America, declare this to be my last Will, and I hereby revoke any and all other wills and codicils previously made by me.

ARTICLE I  
BURIAL

It is my desire that I be buried in the Blackburn Family Cemetery. I direct my Executor to take all steps necessary to comply with this request.

ARTICLE II  
PAYMENT OF DEBTS

I direct that all my just debts, the expenses of my funeral and interment (including the cost of a suitable marker for my grave) in an amount determined to be reasonable by my Executor, the expenses of my final illness and the costs of administering my estate shall be paid as soon after my death as may be practicable.

ARTICLE III  
PAYMENT OF TAXES

I direct that all death taxes which shall become payable upon or by reason of my death with respect to (i) any property passing by or under the terms of this Will or any codicil thereto, (ii) the proceeds of any policy or policies of insurance insuring my life, or (iii) any other property included in my gross estate for tax purposes, shall be paid out of my residuary estate, other than that portion for which a marital or charitable deduction is claimed.

ARTICLE IV  
IDENTIFICATION OF FAMILY

At the time of the execution of this Will, my husband is E. REEVES VANNOY ("my husband"). I have no children.

ARTICLE V  
TANGIBLE PERSONAL PROPERTY

(A) Specific Bequests. I make the following specific bequests of my tangible personal property:

(1) Bequest of Cut Glass. I bequeath three crystal cut glass pieces to JOANN VANNOY BEEKER, if she survives me.

(2) Bequest of Car. I bequeath my 1961 Dodge Lancer to FREDA GOODMAN, if she survives me.

(B) Bequest of Remainder to Husband. After satisfying the provisions of section (A) of this Article, I bequeath all of my remaining tangible personal property and personal effects of every nature to my husband, if he survives me.

(C) Contingent Bequest. After satisfying the provisions of section (A) of this Article, if my husband does not survive me, I bequeath all of my remaining tangible personal property and personal effects of every nature as follows:

(1) Distribution to Trust. I direct that all tangible personal property located in the old Blackburn homeplace be distributed to The Blackburn-Vannoy Foundation created under ARTICLE X of this Will to be administered in accordance with the provisions therein.

(2) Distribution of Remainder. I devise all of my remaining tangible personal property to my Executor, and I direct that all such property be sold by my Executor, and that the proceeds therefrom be administered and disposed of as a part of my estate.

(D) Payment of Safekeeping and Delivery Expenses. I direct that any expense incurred in safeguarding any asset bequeathed under this Article, or in delivering such asset to the legatee thereof, shall be paid from my estate as a cost of administration.

(E) Memorandum. If I should place with my Will, or among my valuable papers, any letter or memorandum specifying the manner in which I would like certain items of my tangible personal property to be distributed, then I request that such letter or memorandum be respected in the disposition of such tangible personal property.

#### ARTICLE VI SPECIFIC BEQUESTS AND DEVISE

Upon my death, I make the following specific bequests:

(A) Bequests to Individuals. I make the following bequests to individuals:

(1) Bequest to JoAnn Beeker. I bequeath the sum of FIFTY THOUSAND DOLLARS (\$50,000) to JOANN VANNOY BEEKER, if she is then living.

(2) Bequest to Norman Church. I bequeath the sum of TWENTY THOUSAND DOLLARS (\$20,000) to NORMAN CHURCH, if he is then living.

(3) Bequest to Margaret Church. I bequeath the sum of TWENTY THOUSAND DOLLARS (\$20,000) to MARGARET CHURCH, if she is then living.

(4) Bequest to Freda Goodman. I bequeath the sum of TWENTY THOUSAND DOLLARS (\$20,000) to FREDA GOODMAN, if she is then living.

(B) I make the following bequests to charitable organizations for their general charitable purposes:

(1) Bequest to Rescue Squad. I bequeath the sum of TWENTY-FIVE THOUSAND DOLLARS (\$25,000) to the ASHE COUNTY RESCUE SQUAD.

(2) Bequest to Mission Home Baptist Church. I bequeath the sum of TEN THOUSAND DOLLARS (\$10,000) to Mission Home Baptist Church, in Fleetwood, Ashe County, North Carolina.

(3) Bequest to Mt. Olive Baptist Church. I bequeath the sum of TEN THOUSAND DOLLARS (\$10,000) to Mt. Olive Baptist Church, in Fleetwood, Ashe County, North Carolina.

*M. Ke/Son  
Cemetery*  
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(C) Cemetery Trust. I bequeath the sum of FORTY THOUSAND DOLLARS (\$40,000) to my Trustee to be held as a separate trust (the "Cemetery Trust") to maintain the Blackburn Family Cemetery as permitted by N.C. Gen. Stat. § 36A-146. It is my intention that this trust shall last in perpetuity and that the Trustee shall expend the income and principal of the trust as necessary to provide for the upkeep and maintenance of the Blackburn Family Cemetery. Notwithstanding the foregoing provisions of this Article, the Trustee may at any time transfer the assets of the Cemetery Trust to the Blackburn-Vannoy Foundation described in ARTICLE X, provided that the Trustee has first made appropriate arrangements, in its absolute discretion, for the suitable maintenance of the Blackburn Family Cemetery in perpetuity.

(D) Specific Devise. I devise my interest, if any, in the following real property, together with all buildings and other improvements (including all policies of fire, casualty, liability, property damage or other insurance on or in connection with the use thereof), to my husband's niece, JOANN VANNOY BEEKER, if she survives me:

Beginning on double chestnuts at road; thence S 59° 20' W 19 2/5 poles to stake N 82° W 18 2/3 poles to East Bar Post on ridge; N 76° 40' W 16 2/3 poles to a stake; N 70° W 23 1/2 poles to ash at road; thence with road N 75° W 12 poles; N 13° W 9 poles; N 65° W 10 poles; N 9° W 4; N 83° W 8 poles; N 31° W 10 poles; N 10° W 8 poles; N 6° W 13 poles to a stake; thence leaving road East 70 poles to chestnut at branch S 48° E 55 poles to stake where oak stood; thence S 6° E with old road 20 poles to the beginning, containing 31 7/10 acres, more or less.

And being the same land described in deed from T. F. Vannoy and wife, Ella Vannoy, to E. R. Vannoy dated July 25, 1935 and of record in Deed Book C-4, page 473, Ashe County Registry.

ARTICLE VII  
RESIDUARY ESTATE

After satisfying the foregoing devise and bequests, I devise and bequeath to my Executor all the residue and remainder of my property and estate of every nature, including any lapsed devise or legacy, but excluding all assets over which I have a power of appointment, all of which is hereinafter referred to as "my residuary estate," and I direct that my residuary estate shall be administered and disposed of in accordance with the provisions of the succeeding Articles of this Will.

ARTICLE VIII  
CONSERVATION EASEMENT

I anticipate that prior to my death my husband and I will grant a conservation easement to Blue Ridge Rural Land Trust, of Boone, North Carolina, in all real property owned by either of us individually or owned by us jointly, except for the parcel of approximately thirty-one acres devised to my husband's niece under section (D) of ARTICLE VI of this Will. If, at the time of my death, any real property then owned by me, other than the parcel devised to my husband's niece, is not already subject to such a conservation easement, I direct my Executor to grant a conservation easement in all such real property, subject to any existing leaseholds, under terms that are (i) substantially similar to the terms contained in the draft of a "Grant of a Conservation Easement" prepared by Blue Ridge Rural Land Trust on July 30, 2001 and (ii) consistent with the long term charitable purposes listed in ARTICLE X. The easement is to be granted to Blue Ridge Rural Land Trust, if it is then still in existence and qualifies as a tax exempt public charity under Section 501(c)(3) of the Code, or if not, to the North Carolina Chapter of The Nature Conservancy if it is then still in existence and qualifies as a tax exempt public charity under Section 501(c)(3) of the Code. I further direct my Executor to make a one-time donation to Blue Ridge Rural Land Trust or The North Carolina Chapter of The Nature Conservancy (the "Grantee") as required by the Grantee under its then operative policies and procedures as a condition for accepting the easement. Such donation may be made directly to the stewardship fund or monitoring endowment of the Grantee.

ARTICLE IX  
MARITAL TRUST

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Upon my death, if my husband survives me, then after payment or provision for payment of all debts, costs of administration, expenses and death taxes as directed in ARTICLES II and III, and after satisfying the provisions of ARTICLE VIII, the remainder of my residuary estate shall be distributed to my Trustee to be held as a separate trust (the "Marital Trust") for the benefit of my husband to be administered and disposed of as follows:

(A) Income. During my husband's lifetime, all of the net income derived from the Marital Trust shall be paid to or applied for the benefit of my husband in monthly or quarterly installments. At my husband's death, any undistributed income shall be distributed to my husband's estate.

(B) Principal. My Trustee may, in the absolute discretion of my Trustee, pay to or apply for the benefit of my husband so much of the principal of the Marital Trust as my Trustee from time to time deems requisite or desirable to enable my husband to maintain the station in life to which he was accustomed at the time of my death (taking into account the income of this trust and funds available to him from other sources). I further authorize my Trustee to bestow any other benefits upon him as deemed advisable by my Trustee, even if to do so results in the exhaustion of the entire principal of this trust.

(C) Termination. At my husband's death, the remaining assets of the Marital Trust shall be held by the Trustee as a separate charitable trust to be known as "THE BLACKBURN-VANNOY FOUNDATION" (the "Foundation") and administered as provided in ARTICLE X.

(D) Unproductive Asset. My husband may require my Trustee either to make any trust asset productive of income or to convert any unproductive asset within a reasonable time to one which produces income consistent with its value.

(E) Death Taxes. My Executor may elect to qualify some part or all of the Marital Trust for the federal estate tax marital deduction. No death taxes shall be paid from any portion of the trust which my Executor elects to qualify for the federal estate tax marital deduction unless all other assets available for payment of death taxes shall be insufficient. If my Executor elects to qualify only a portion of the Marital Trust for the federal estate tax marital deduction, my Trustee shall have the continuing authority at any time prior to the close of the administration of my estate to divide the trust principal into two shares based upon the percentage which would be included in my husband's gross estate for federal estate tax purposes determined as if he had died immediately prior to such division, and the resulting shares shall thereafter be administered as identical separate trusts.

#### ARTICLE X CHARITABLE TRUST

Upon my death, if my husband does not survive me, then after payment or provision for payment of all debts, costs of administration, expenses and death taxes as directed in ARTICLES II and III, and after satisfying the provisions of ARTICLE VIII, the remainder of my residuary estate shall be distributed to my Trustee to be held as a separate charitable trust to be known as "THE BLACKBURN-VANNOY FOUNDATION" (the "Foundation") and administered as provided in this ARTICLE X.

(A) Purposes. I am creating the Foundation to preserve and maintain all the real property that my husband and I own in Ashe County, either individually or jointly, other than the parcel devised to my husband's niece under section (D) of ARTICLE VI (collectively hereinafter referred to as the "Blackburn-Vannoy Estate"). Subject to the provisions of paragraph (1) of section (B) of this Article, the purposes of the Foundation shall be exclusively charitable and shall be (i) to preserve, protect and enhance the Blackburn-Vannoy Estate in its natural, scenic, historical, agricultural, forested or open-space condition or use, (ii) to protect native plants, animals, or plant communities on the property, (iii) to restore and/or renovate the Blackburn farmhouse and any other building of historical significance located on the Blackburn-Vannoy Estate, and (iv) to encourage scientific or educational uses of the Blackburn-Vannoy Estate not inconsistent with the terms of any conservation easement to which such property is subject.

(B) Internal Revenue Code Restrictions. The Foundation created under this Article shall in all respects qualify as an organization exempt from tax under Section 501(c)(3) of the Code. The Foundation shall be subject to the following restrictions:

(1) Restriction on Purpose. The Foundation shall operate exclusively for charitable, educational, religious and scientific purposes within the meaning of Sections 501(c)(3) and 170(c)(2) of the Code.

(2) Charitable Use of Assets. No part of the net earnings of the Foundation shall be distributable to or inure to the benefit of any private person, except that the Foundation shall be authorized to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its exempt purposes. No substantial part of the activities of the Foundation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Foundation shall not participate in or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision hereof, the Foundation shall not carry on any other activities not permitted to be conducted or carried on by (i) an organization described in Sections 501(c)(3), 2055(a) and 2522(a) of the Code and Regulations thereunder or (ii) an organization contributions to which are deductible under Section 170(c)(2) of the Code and Regulations thereunder.

(3) Private Foundation Requirements. The Trustee shall:

(a) make distributions from the Foundation at such time and in such manner so as not to subject the Foundation to tax under Section 4942 of the Code;

(b) not engage in any act of self-dealing as defined in Section 4941(d) of the Code;

(c) not retain any excess business holdings as defined in Section 4943(c) of the Code which would subject the Foundation to tax under Section 4943 of the Code;

(d) not make any investment which would subject the Foundation to tax under Section 4944 of the Code; and

(e) not make any taxable expenditures as defined in Section 4945(d) of the Code.

(4) Termination. Upon the termination of the Foundation, if that shall ever occur, the assets of the Foundation shall be distributed as determined by the Trustee to or among one or more organizations which are then organized and operated for exempt purposes and qualified as exempt organizations under Section 501(c)(3) of the Code and to which contributions are then deductible under Section 170(c)(2) of the Code, or to federal, state or local governments to be used exclusively for public purposes.

(5) Power to Amend. The Trustee shall be authorized to amend the foregoing provisions of this Article in order to meet the tax-exempt qualification requirements of the Code. Further, if the administration of the Foundation ever becomes impracticable such that the Trustee determines that the purposes described in section (A) of this Article may best be served by terminating the Foundation and distributing its assets as provided in paragraph (4) of this section, the Trustee is authorized to do so.

#### ARTICLE XI FIDUCIARY APPOINTMENTS

(A) Appointment of Executor. I appoint FIRST-CITIZENS BANK & TRUST COMPANY to be Executor of this Will.

(B) Appointment of Trustee. I appoint FIRST-CITIZENS BANK & TRUST COMPANY to be Trustee of any trust created hereunder.

(C) Power to Appoint Successor Trustee. The Trustee of each trust created hereunder (including Trustees appointed under this section) shall have the power to appoint a successor Trustee; provided that any Trustee so appointed must be a qualified non-profit organization or a corporate fiduciary having managed assets under trust of not less than \$1,000,000,000. Any appointment may be revoked or amended at any time before the appointee begins serving.

(D) Renunciation and Resignation. Each Trustee has the rights to renounce and to resign as Trustee by giving thirty days' notice in writing to the successor Trustee, if any, and to my husband, if he is then living. Each Trustee is hereby expressly authorized to renounce or resign as Trustee of any trust without filing any petition or accounting in any court or with any public official, and without obtaining any approval from any court or public official.



(E) Trustee Succession. Each successor Trustee is expressly authorized to assume the duties of Trustee without obtaining approval from any court. No successor Trustee shall be required to review or audit the accounts and transactions or otherwise to inquire into any act or omission of any predecessor Trustee or to assert any claim against any such predecessor or his or her estate, and no successor Trustee shall be liable for any acts or omissions of any predecessor Trustee.

ARTICLE XII  
ADMINISTRATIVE PROVISIONS

(A) Waiver of Bond. I direct that no Executor or Trustee acting under this Will is required to give or file any bond or other security in any jurisdiction.

(B) General Fiduciary Powers. I hereby authorize my Executor and my Trustee to do all things and to perform all acts that are requisite or desirable in the businesslike settlement of my estate and the administration of any trust. Without in any way limiting the generality of the foregoing, my Executor and my Trustee shall have all of the powers set forth and described in Section 32-27 of the North Carolina General Statutes, relating to powers of fiduciaries, as they exist at the time of execution of this Will, which powers are incorporated in this Will as if fully set forth herein; except that power (29) entitled "Apportion and Allocate Receipts and Expenses" is expressly not incorporated in this Will, and the power set forth and described in Section 28A-13-3(a)(18) of the North Carolina General Statutes shall not apply to my Executor. My Executor and my Trustee shall have discretion to determine whether items should be charged or credited to income or principal, including the power to provide or not to provide a reasonable reserve against depreciation, depletion or obsolescence. My Executor and my Trustee shall exercise this discretion in such manner as my Executor and my Trustee may reasonably deem equitable and just under all the circumstances, without regard to the provisions of Chapter 37 of the North Carolina General Statutes. Notwithstanding any other provision of this Will to the contrary, no power or authority conferred by law or expressed or specifically incorporated in this Will shall be exercised in a manner that would cause any interest which would otherwise qualify for the federal estate tax marital or charitable deduction to fail to qualify for that deduction, except the foregoing shall not limit the right of my Executor not to qualify any qualified terminable interest property for the marital deduction. I specifically authorize my Executor to sell real or personal property, at public or private sale, for cash or on credit, without court approval.

(C) Waiver of Qualification. No Trustee is required to qualify as Trustee or to file any reports or accounts in any court; provided that my Trustee shall furnish annual reports or accounts of the administration of the trust to any income beneficiary upon request. Reports and accounts may, on behalf of any beneficiary who is not a competent adult, be requested by or furnished to (i) the guardian of the estate of the beneficiary, if any, or (ii) the beneficiary's attorney-in-fact acting under a durable power of attorney.

(D) Power to File Joint Returns. I hereby authorize my Executor to execute and file joint (original or amended) income tax returns, federal, state and municipal, with my husband

for the year in which my death occurs and for any years prior to the year of my death. I further authorize my Executor to pay out of my residuary estate the entire tax shown to be due on any joint income tax returns so filed.

(E) Compensation. I direct that any corporate fiduciary serving under this Will is entitled, as compensation for its services, to retain the commissions stipulated in its regularly adopted schedule of compensation in effect and applicable at the time of the performance of such services.

### ARTICLE XIII CONSTRUCTION

(A) Captions. Titles and headings contained in this instrument shall not be deemed to govern, limit, modify or in any manner affect the scope, meaning or intent of its provisions.

(B) Gender and Number. As used in this instrument, the masculine, feminine and neuter gender, and the singular and plural numbers, whenever the context requires or permits, shall each be deemed to include the other genders or numbers respectively.

(C) Death Taxes. References to "death taxes" mean all estate, transfer, inheritance or succession taxes, whether federal, state or otherwise, including any and all interest and penalty thereon, which shall become payable upon or by reason of an individual's death.

(D) Competent Adult. An adult individual shall be deemed competent unless either (i) the individual is declared legally incompetent by a court, or, (ii) two licensed physicians certify in writing that, in their opinion, the individual lacks the judgment or understanding to serve effectively as a fiduciary, if applicable, or otherwise to exercise any powers granted or duties imposed under this instrument.

(E) The Code and Treasury Regulations. References to "the Code" mean the Internal Revenue Code of 1986, as amended from time to time. Each reference to a provision of the Code or to a specific Treasury Regulation shall include any successor thereto.

IN WITNESS WHEREOF, I sign my name to this instrument this 8/14 day of August, 2001, and being first duly sworn, do hereby declare to the undersigned authority that I sign and execute this instrument as my last Will and that I sign it willingly, that I execute it as my free and voluntary act for the purposes therein expressed and that I am eighteen years of age or older, of sound mind and under no constraint or undue influence.

Beulah B. Vannoy (SEAL)  
BEULAH B. VANNOY

We, the undersigned witnesses, sign our names to this instrument, and being first duly sworn, do hereby declare to the undersigned authority that the testatrix signed and executed this instrument as her last Will and that she signed it willingly, and that each of us, in the presence and hearing of the testatrix, hereby signs this Will as witness to the testatrix's signing and that to the best of our knowledge the testatrix is eighteen years of age or older, of sound mind and under no constraint or undue influence.

James H. Coman III residing at 9124 NC Hwy 93 Pine Lake NC 28660

Gail S. Trevett residing at 96 Brookgreen Rd W. of Weldon

Susan Pegram Hennis residing at 8511 Merriam Farm Rd. Oak Ridge, NC 27310

Witnesses

Addresses

Subscribed, sworn to and acknowledged before me by BEULAH B. VANNOY, the testatrix, and subscribed and sworn to before me by JAMES H. COMAN III, GAIL S. TREVETT and SUSAN PEGRAM HENNIS, witnesses, this 14th day of August, 2001.

SIGNED

Larry W. Elliott

Notary Public

My Commission Expires:

5-17-04

(SEAL)

