

IN THE IOWA DISTRICT COURT IN AND FOR LINN COUNTY

)	
)	PROBATE NO. <u>TRPRO 36228</u>
IN THE MATTER OF)	
)	PETITION TO DETERMINE EXISTENCE
SHIPPING 20 TRUST)	OF TRUST, APPOINT NEW TRUSTEE AND
)	DETERMINE TERMS OF TRUST
)	

COME NOW, the Petitioners, as settlors and beneficiaries of the "Shipping 20 Trust," by and through their attorneys, Day Rettig Peiffer, P.C. by Joseph E. Day and Jennifer E. Germaine, and hereby petition the court to determine the existence and validity of the "Shipping 20 Trust" in accordance with Section 633A.2101, 633A.2102, and 633A.6202(1) Code of Iowa, appoint a new trustee, and determine the terms of the trust, and in support thereof state and show to the Court the following:

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 DISTRICT COURT
 IOWA
 LINN COUNTY, IOWA
 2012 JUN 13 10:59 AM

1. Prior to June 13, 2012, twenty (20) individuals, all residents of Iowa, (hereinafter referred to as the "Settlors") agreed to pool their money together in order to purchase Iowa Lottery Powerball tickets.
2. The twenty (20) Settlor chose one (1) individual, who was also a Settlor, to take the pooled money and purchase Iowa Lottery Powerball tickets.
3. The twenty (20) Settlor agreed before the purchase of the Iowa Lottery Powerball tickets that each of them would share equally in any winnings from such Iowa Lottery Powerball tickets.
4. On June 13, 2012, the Iowa Lottery Powerball drawing was held and one (1) of the tickets purchased with the pooled money of the Settlor was the winning Iowa Lottery Powerball ticket.
5. The Settlor now have equal rights to the proceeds of the \$241,000,000 jackpot from the Iowa Lottery Powerball drawing held on June 13, 2012, that the Settlor can claim through the one individual's possession of the winning Iowa Lottery Powerball ticket for the benefit of the Settlor.
6. The Settlor all attended a meeting where they agreed to formally name the trust the "Shipping 20 Trust," agreed to the appointment of Joseph E. Day and Jennifer E. Germaine as trust counsel; and each Settlor signed an Attorney Fee

Contract with Day Rettig Peiffer, P.C., the firm represented by Mr. Day and Ms. Germaine.

7. At the same meeting, the Settlers' directed Mr. Day to obtain a court order to establish the existence of the trust.

CREATION OF TRUST

8. The twenty (20) Settlers intended to create a trust when they all agreed to pool money for the purchase of Iowa Lottery Powerball tickets and transferred the pooled money to one individual in accordance with Section 633A.2101 Code of Iowa.

9. The twenty (20) Settlers were all competent at the time of making the decision to pool their money for the purchase of Iowa Lottery Powerball tickets and transfer the pooled money to one individual to act as the trustee.

10. Each of the twenty (20) Settlers consented to the one individual taking the pooled money of the Settlers, purchasing the Iowa Lottery Powerball tickets, and holding the Iowa Lottery Powerball tickets for the benefit of each of the twenty (20) Settlers, as set forth on the attached Affidavit of one of the Settlers attached hereto as Exhibit "A" and incorporated into this Petition by this reference.

11. Each of the Settlers consented to the trust formally being named the "Shipping 20 Trust."

APPOINTMENT OF NEW TRUSTEE

12. The current trustee of the "Shipping 20 Trust" is one individual, who is also a Settlor, initially chosen by the Settlers to purchase the Iowa Lottery Powerball tickets and hold such tickets until a claim can be made against the Iowa Lottery Powerball jackpot for the winnings from the Iowa Lottery Powerball drawing.

13. At the meeting with trust counsel, the Settlers agreed to the removal of the current trustee of the "Shipping 20 Trust" and the current trustee wished to resign from being the trustee of the trust.

14. At the same meeting with trust counsel, the Settlers directed Trust Counsel, Mr. Day, to procure a trustee in such manner as would not unreasonably diminish the total assets of the trust, as set forth on Exhibit "A" attached hereto.

15. Mr. Day procured Brad Hauge, an experienced and qualified accountant (hereinafter referred to as the "Trustee"), as the new trustee of the "Shipping 20 Trust" with the specific trustee duties as expressed herein.

16. Brad Hauge accepts the office of trustee, as evidenced by the signed written acceptance attached hereto as Exhibit "B".

17. The Trustee shall be entitled to reasonable compensation for administering the Trust.

18. It is requested the Court waive the bond requirements for the Trustee.

DUTIES OF TRUSTEE

19. The Settlers propose the new trustee, Brad Hauge, to administer the "Shipping 20 Trust" (hereinafter referred to as the "Trust") in accordance with the following Trustee duties:

a. The primary responsibility of the Trustee is to administer the Trust for the exclusive benefit of the Settlers. The Trustee shall administer the Trust in accordance with the terms set forth herein and shall have the power and discretion to construe the terms of the Trust and to determine all questions arising in connection with the administration, interpretation, and application of the Trust. Any such determination by the Trustee shall be conclusive and binding upon all persons. The Trustee may establish procedures, correct any defect, supply any information, or reconcile any inconsistency in such manner and to such extent as shall be deemed necessary or advisable to carry out the purpose of the Trust. The Trustee shall have all powers necessary or appropriate to accomplish the Trustee's duties as set forth herein.

b. The Trustee shall hold the Iowa Lottery Powerball tickets, including the winning ticket from the June 13, 2012, Iowa Lottery Powerball drawing, in a safe and secure location until the time when the Trustee is prepared to make the claim for the winnings from the June 13, 2012, Iowa Lottery Powerball drawing, upon advice from legal counsel, and investment advisors.

c. Any funds received from the Iowa Lottery Powerball tickets held by the Trustee shall be deposited into the Trust.

d. The Trustee shall establish and maintain a collective account in the name of the Settlor (hereinafter referred to as the "Settlor's Account") to which the Trustee shall allocate equal shares between each of the twenty (20) Settlor of any winnings from the Iowa Lottery Powerball once any funds from the winnings have been deposited into the Trust.

e. A Settlor may at any time, subject to a procedure established by the Trustee, in writing, request distribution of a portion of the Settlor's balance or the entire account balance of the Settlor in the Trust. Upon request by the Settlor, a distribution of the entire account balance in the Settlor's Account will be deemed a revocation or termination of such Settlor's interest in the Trust.

f. The Trustee shall invest the Settlor's Account in such investments as would be invested by a reasonable and prudent person acting upon the information available to the Trustee.

g. As of each Valuation Date (with "Valuation Date" being defined to be the date or dates deemed necessary or appropriate by the Trustee for the valuation of the Settlor's Accounts, which may include any day that the Trustee, any transfer agent appointed by the Trustee or any stock exchange used by such agent, are open for business), all Settlor's Accounts shall be charged or credited with the net earnings, gains, losses and expenses as well as any appreciation or depreciation in the market value using publicly listed fair market values when available or appropriate to the extent that the assets in a Settlor's Account are accounted for as pooled assets or investments, the allocation of earnings, gains and losses of each Settlor's Account shall be based upon the total amount of funds so invested in a manner proportionate to the Settlor's share of such pooled investment.

h. Investments will be processed as soon as administratively practicable after proper investment directions are received from the Trustee. No guarantee is made by the Trustee that investment directions will be processed on a daily basis, and no guarantee is made in any respect regarding the processing time of an investment direction. Notwithstanding any other provision of the Trust, the Trustee reserves the right to not value an investment option on any given Valuation Date for any reason deemed appropriate by the Trustee. Furthermore, the processing of any

investment transaction may be delayed for any legitimate business reason (including, but not limited to, failure of systems or computer programs, failure of the means of the transmission of data, force majeure, the failure of a service provider to timely receive values or prices, and correction for errors or omissions or the errors or omissions of any service provider). The processing date of a transaction will be binding for all purposes of the Trust and considered the applicable Valuation Date for an investment transaction.

i. The Trustee may engage counsel, specialists, advisers, agents (including nonfiduciary agents) and other persons as the Trustee deems necessary or desirable in connection with the administration of this Trust, including but not limited to agents and advisers to assist with the administration, recordkeeping, and management of the Trust, and thereby to provide, among such other duties as the Trustee may appoint, assistance with maintaining Trust records and the providing of investment information to the Trust's investment fiduciaries and to Settlor. The Trustee may also appoint separate agents and advisers to assist with investment advice and consultation for investments permissible by law for investment of trust funds with a preference for such investment advisor to have the ability to offer investments on an institutional basis. The Trustee may compensate such agents or advisers from the assets of the Trust.

j. The Trustee shall maintain all necessary records for the administration of the Trust, shall render an annual accounting to each Settlor of that Settlor's Account balance and upon written request by a Settlor, shall render additional accountings to such Settlor of that Settlor's Account balance.

k. The Trustee may assist any Settlor regarding the Settlor's rights, benefits, or elections available under the Trust.

l. The Trustee shall keep a record of all actions taken and shall keep all other books of account, records, policies, and other data that may be necessary for proper administration of the Trust and shall be responsible for supplying all information and reports to the Internal Revenue Service, Iowa Department of Revenue, Settlor, and others as required by law.

m. All expenses of administration, including taxes, may be paid out of the Trust by being allocated to each Settlor's Account on a pro rata basis of the percentage the Settlor's Account bears to the entire balance held by the Trust. Such

expenses shall include any expenses incident to the functioning of the Trustee, or any person or persons retained or appointed by the Trustee incident to the exercise of their duties under the Trust, including, but not limited to, fees of accountants, counsel, investment consultants, investment managers, agents (including nonfiduciary agents) appointed for the purpose of assisting the Trustee in carrying out the instructions of Settlers as to the directed investment of their accounts and other specialists and their agents, the costs of any bonds required, and other costs of administering the Trust. Until paid, the expenses shall constitute a liability of the Trust.

n. The Trustee may refuse to accept additions to the property of the Trust from a Settlor or any other person.

o. With respect to an interest in a proprietorship, partnership, limited liability company, business trust, corporation, or other form of business or enterprise, the Trustee may continue or participate in the operation of a business or other enterprise that is part of the Trust and take any action that may be taken by shareholders, members, or property owners, including merging, dissolving, or otherwise changing the form of a business organization and contributing additional capital.

p. The Trustee may deposit Trust funds in accounts in financial institutions, including a financial institution operated by the Trustee.

q. The Trustee may manage, control, divide, develop, improve, exchange, partition, change the character of, or abandon Trust property. Consent, directly or through a committee or other agent, to the reorganization, consolidation, merger, dissolution, or liquidation of a corporation or other business enterprise, and participate in voting trusts, pooling arrangements, and foreclosures, and in connection therewith, deposit securities with and transfer title and delegate discretion to any protective or other committee as the trustee considers advisable.

r. The Trustee may encumber, mortgage, or pledge trust property for a term within or extending beyond the term of the Trust in connection with the exercise of a power vested in the Trustee.

s. The Trustee may grant an option involving disposition of Trust property or take an option for the acquisition of property, including an option that is exercisable beyond the duration of the Trust.

t. With respect to shares of stock of a domestic or foreign corporation, any membership in a nonprofit corporation, or other property, the Trustee may do the following:

1. Vote in person, and give proxies to exercise, any voting rights with respect to the shares, memberships, or property.
2. Waive notice of a meeting or give consent to the holding of a meeting.
3. Authorize, ratify, approve, or confirm any action that could be taken by shareholders, members, or property owners.

u. The Trustee may pay calls, assessments, and any other sums chargeable or accruing against or on account of securities.

v. The Trustee may sell or exercise stock subscription or conversion rights.

w. The Trustee may hold a security in the name of a nominee or in other form without disclosure of the Trust so that title to the security may pass by delivery.

x. The Trustee may deposit securities in a securities' depository.

y. The Trustee may insure the property of the Trust against damage or loss.

z. The Trustee may pay or contest any claim; settle a claim by or against the Trust by compromise, arbitration, or otherwise; and release, in whole or in part, a claim belonging to the Trust.

aa. The Trustee may pay an amount distributable to a Settlor, whether or not the Settlor is under a legal disability, by paying the amount to the Settlor or by paying the amount to another person for the use or benefit of the Settlor.

bb. The Trustee may execute and deliver instruments that are useful to accomplish or facilitate the exercise of the Trustee's powers.

cc. The Trustee may prosecute or defend an action, claim, or proceeding in order to protect Trust property.

dd. The Trustee may resolve a dispute concerning the interpretation of the trust or its administration by mediation, arbitration, or other procedure for alternative dispute resolution.

ee. Upon termination of the Trust, the Trustee may exercise the powers necessary to conclude the administration of the Trust and distribute the Trust property to the person or persons entitled to the Trust property.

OTHER TRUST TERMS

20. At no time may a Settlor have an interest in the Trust greater than the Settlor's own Settlor's Account balance. The Settlor's interest in the Trust is solely the value of the funds held in the Settlor's Account. Any claims or debts of a specific Settlor brought against the Trust assets shall be limited to the funds held in the specific Settlor's Account.

21. In addition to the general powers and responsibilities otherwise provided for herein, the Settlers shall be empowered to appoint and remove the Trustee from time to time as they deem necessary for the proper administration of the Trust to ensure that the Trust is being operated for the exclusive benefit of the Settlers.

22. The Settlers (with remaining balances in their Settlor's Accounts) reserve the power to amend the Trust, in whole or in part; provided, however, the duties, powers, and liabilities of the Trustees shall not be amended without the written consent of the Trustee. Any such amendment shall be made by a written instrument signed and dated by the Settlers with remaining balances in their Settlor's Accounts and delivered to the Trustee.

23. The Settlers (with remaining balances in their Settlor's Account) reserve the power to revoke or terminate the Trust. Any such revocation or termination shall be by written instrument, signed and dated by the Settlers with remaining balances in their Settlor's Accounts and delivered to the Trustee. At any time one Settlor may revoke or terminate his or her interest in the Trust by requesting the Trustee to distribute all of the funds remaining in the particular Settlor's Account.

24. Unless previously terminated, the Trust shall terminate upon distribution of all funds held in the Trust or upon the death of the last Settlor.

25. During any period of time when a Settlor is incapacitated, a duly appointed agent of the Settlor may make the decisions for the Settlor in regard to such Settlor's Account in this Trust if such authority is specifically granted to a Settlor's agent by the durable power of attorney authorizing the Settlor's agent to act on the Settlor's behalf. If the Settlor has no duly appointed agent, the Trustee may not distribute funds from the Trust on behalf of an incapacitated Settlor without a proper court order.

26. Upon the death of a Settlor with a remaining balance in such Settlor's Account, the duly appointed executor or personal representative of the Settlor's estate shall apply to the Trustee for distribution of the entire remaining balance in the Settlor's Account.

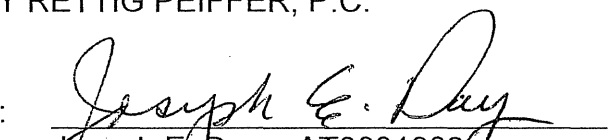
27. If at any time the Trust is no longer economically feasible to administer, the Trustee may, in its sole and absolute discretion, terminate the Trust and distribute any remaining balances in the Settlor's Accounts to the specific Settlor.

28. This Trust shall not be subject to continuous court supervision.

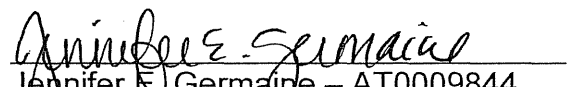
WHEREFORE, the Petitioners request that the Court validate the existence of the "Shipping 20 Trust" in accordance with Section 633A.2101, et seq., Code of Iowa; remove the currently appointed trustee and appoint Brad Hauge as the trustee; request waiver of the bond for the Trustee; determine the terms of the trust; and for such other and further relief as may be just and equitable.

Respectfully submitted,
DAY RETTIG PEIFFER, P.C.

BY:


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ATTORNEYS FOR PETITIONERS

Original filed.

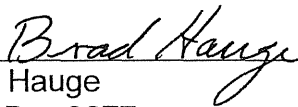
EXHIBIT A

SEALED PURSUANT TO COURT ORDER

**SHIPPING 20 TRUST
WRITTEN ACCEPTANCE OF TRUSTEE**

I, Brad Hauge, accept the appointment of trustee for the Shipping 20 Trust. I am an experienced accountant and consultant and am qualified, willing and able to administer the trust in accordance with the trust terms set forth in the Petition

Dated this 19th day of June, 2012.



Brad Hauge
P.O. Box 2877
Cedar Rapids, IA 52406

FILED
CLERK OF DISTRICT COURT
2012 JUN 19 AM 11:02
LINN COUNTY, IOWA