NAUSHON TRUST

Established Under

DECLARATION OF TRUST

May 2, 1932

PRESS OF GEO. H. DEAN CO., BOSTON

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DECLARATION OF TRUST made by W. Cameron Forbes, of Norwood, Massachusetts, Rose D. Forbes, of Milton, Massachusetts, James S. Russell, of said Milton, Ralph E. Forbes, of said Milton, and Ellen Forbes, of said Milton, the original trustees hereunder.

Whereas, simultaneously with the execution hereof, said trustees have received the amount of cash stated in Schedule A hereto attached, to be held in trust hereunder, and have agreed to issue therefor eight hundred and forty (840) shares of the beneficial interest of this trust; and

Whereas, said trustees intend to use said fund for the purchase of real and personal property from the trustees of Naushon Island under the will of John M. Forbes and for other purposes hereunder:

Now, therefore, said trustees hereby declare and agree that they will hold and administer said fund, together with any real or personal property hereafter acquired by them therewith or as additions thereto, in Trust, upon the trusts hereinafter set forth.

ARTICLE I.

Name.

All things relating to this trust may be done under the name "Naushon Trust."

ARTICLE II.

Beneficial Interests, Shares and Certificates.

1. The beneficial interest in this trust shall be in the holders from time to time of shares of beneficial interest without par value. Who Hold Beneficial Interests.

2. One thousand (1,000) shares of beneficial interest are hereby authorized as the initial number of shares. After all these initially authorized shares have been issued as provided herein, additional shares may be authorized from time to time by the unanimous vote of the full number of trustees. Shares Authorized.

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Original Issue of Shares.

3. The trustees shall issue eight hundred and forty (840) shares in accordance with their agreement mentioned hereinabove.

Future Issue of Shares.

4. Authorized shares shall be issued only as provided in paragraph 3 of this Article and as follows:

(a) Fractional shares may be issued from time to time by unanimous vote of the trustees in office to any holder of one or more fractional shares to make full shares of any one or more of such holder's fractional shares. Each such issue of a fractional share shall be for cash of an amount equal to that proportion of the current basic price, as defined in Article XIII, which the fractional share to be issued bears to a full share.

(b) Full and/or fractional shares may be issued from time to time by unanimous vote of the trustees in office, as share dividends or for the purpose of splitting up outstanding shares.

(c) Full and/or fractional shares at the current basic price, as defined in Article XIII, may be issued from time to time by the trustees to lineal descendants of John M. Forbes in exchange for any property, real or personal, located on Naushon, Uncatena and the neighboring islands or mainland.

Full Shares To Have Equal Rights.

5. Each full share shall be entitled to one vote and to the same rights and benefits under this trust as each other such share and on a parity therewith.

Rights and Liabilities of Fractional Shares.

6. Holders of fractional shares shall be entitled in respect thereof only to such rights and benefits as are expressly conferred by this Declaration on such holders in respect of such fractional shares. Holders of fractional shares shall, however, be subject to the full Class A Ownership Charge and, in respect of each fractional share, to a proportional part of the Class B Ownership Charge, as provided in Article VI.

Certificates.

7. Each shareholder's interest shall be represented by a certificate or certificates in such form as the trustees may determine, evidencing the ownership of full and/or fractional shares. Upon the surrender of certificates for fractional shares equal to one full share or to one full share and a fraction, the trustees shall issue a certificate representing one full share and a certificate representing any remaining fraction. The trustees may issue new certificates to replace lost or mutilated certificates on such conditions as they may determine.

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8. A register shall be kept by the trustees which shall show the names of shareholders, their addresses as furnished by them, the number of shares and fractions thereof held by each and all transfers of shares. Register.

9. Shares shall be transferable only on this register by assignment in writing by the person entitled to make such transfer hereunder or his agent or legal representative, upon surrender and cancellation of the certificate or certificates therefor. Tranfers shall be further subject to the provisions of Article XIII. The trustees may treat the registered holder for all purposes as the owner of the share or shares registered in his name. Transfers.

ARTICLE III.

Trustees.

1. The full number of trusteeships shall be five, except that at any time or times after January 1, 1940, the shareholders shall have the right, by vote of four-fifths (4/5) of the shares outstanding entitled to vote, to increase the full number of trusteeships to not exceeding seven. The five original trustees are named above. Number.

2. No trustee shall be obliged to give any bond or other security for the performance of any of his duties. Bond.

3. Any trustee may resign without intervention of court, by a writing signed and acknowledged by him and recorded. Resignation.

4. Any trustee who, in the opinion of his co-trustees, has become incapacitated, may be removed without intervention of court, by a writing signed by all of his co-trustees (constituting, with him, the full number of trustees) and acknowledged by one or more of them and recorded. Removal.

5. Whenever a trustee dies, resigns or is removed, or the number of trustees is increased as provided in paragraph 1 of this Article, a trustee shall be appointed to fill the vacancy or such additional trusteeship as follows: Appointment.

The trustees shall, within thirty (30) days, notify all registered holders of full shares that the vacancy has occurred or that an additional trusteeship is to be filled, requesting each of them to nominate, within sixty (60) days from the date of sending said notice, not more

than three candidates to fill the vacancy or additional trusteeship. When said sixty (60) days have elapsed or when all the shareholders entitled to nominate candidates have nominated them or waived their right to do so, whichever of these dates is the earlier, the trustees shall as soon thereafter as possible, elect a new trustee by a majority vote at a meeting of the trustees called for the purpose. If the new trustee is to be a successor to one of the five original trustees or to one of their successors, the trustees may choose him from among the eligible candidates nominated by the shareholders or they may choose any other eligible person if they consider it to be for the best interests of this trust. If the new trustee is to fill an additional trusteeship or to succeed any such additional trustee, said notice to shareholders shall so state and the trustees shall choose him from among the eligible candidates receiving the first, second and third largest number of nominations for that trusteeship; provided that no shareholder who is a trustee hereunder shall have the right to nominate any candidate; and provided further that if less than three candidates in all are nominated by the shareholders for a trusteeship, the trustees may choose as the new trustee any eligible person whether or not nominated by the shareholders.

In counting nominations, the nomination of any candidate for a trusteeship by any shareholder shall constitute as to that candidate only a single nomination, irrespective of the number of shares held by the nominating shareholder and irrespective of whether such shareholder nominates one, two or three candidates for that trusteeship.

6. The appointment of a successor or additional trustee as aforesaid shall be effective as soon as the appointment, signed by a majority of the old trustees and acknowledged by one or more of them, and the acceptance, signed and acknowledged by the new trustee, have been recorded.

7. If the trustees do not effectively fill any vacancy or additional trusteeship within six (6) months after the occasion therefor, any trustee or shareholder may petition the appropriate Probate Court to make an appointment.

Who May Be Trustee.

8. All but one of the trustees in office at any time must be lineal descendants of John M. Forbes. No corporation may be a trustee.

9. Title to the trust property shall always vest in the trustees for the time being in office, and no conveyance or transfer between trustees shall be necessary when a new trustee comes into office.

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ARTICLE IV.

Use and Enjoyment of Trust Property.

1. The trustees shall have power to make reasonable rules and regulations with respect to the use and enjoyment of trust property (including, without being limited to, shooting, fishing, boating, bathing and cutting wood) and to fix and impose reasonable penalties for violations thereof. **Regulations.**

2. The trustees shall permit shareholders, and may permit others (whether or not lessees), to use and enjoy the trust property subject to said rules and regulations and otherwise in a manner consistent with the provisions hereof. **Shareholders and Others.**

ARTICLE V.

Leases of Island Property to Shareholders and Others.

1. The trustees shall have power to lease sites for new houses to shareholders and groups of shareholders and to permit any such lessee or lessees to build a house, together with buildings and structures relating thereto, upon any such site, according to plans approved by the trustees. Trustees may also lease to any such lessee or lessees any land adjoining or near the house site, and any rights of way and other easements necessary or convenient for the house. **Building Sites.**

2. Title to all houses, structures and fixtures heretofore or hereafter built upon or affixed to land now or hereafter belonging to this trust shall vest in the trustees. **Title to Houses.**

3. Subject to paragraphs 6 and 8 of this Article, a shareholder who shall have heretofore or hereafter built a house largely at his own expense upon land now or hereafter belonging to this trust shall be entitled, whenever he so requests, to a lease thereof for his life or for such shorter period and with such rights of renewal for the duration of his life, as he may elect; and after such shareholder's death the trustees may in their discretion lease the house to his or her surviving wife or husband in priority to other applicants and for such period or periods as the trustees deem appropriate. **Prior Rights of Shareholder Building House.**

4. Subject to paragraphs 6 and 8 of this Article, a group of shareholders who shall have heretofore or hereafter built a house or group

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of houses largely at their own expense upon land now or hereafter belonging to this trust shall be entitled, whenever they so request, to a lease thereof for such periods and with such rights of renewal as the trustees deem equitable.

Other Prior Rights.

5. Subject to the foregoing rights of priority and subject to paragraphs 6 and 8 of this Declaration, all shareholders shall have prior rights to leases of houses (heretofore or hereafter built) before non-shareholders. Subject to the rights of shareholders, the trustees may, but need not, grant to any husbands and wives of deceased shareholders and to any lineal descendants of John M. Forbes prior rights to leases of such houses before other persons. The trustees may grant leases under this paragraph for periods not exceeding five years.

Applications for Lease.

6. The trustees may from time to time make reasonable rules requiring application for leases of any house. Such applications shall each year be filed with the trustees before a date to be determined by the trustees. Different dates for filing applications may be fixed with respect to different houses.

Leases to Others.

7. In case no shareholder, or husband or wife of a deceased shareholder or lineal descendant of John M. Forbes applies for a lease of any specific house before the date fixed by the trustees as provided in paragraph 6, or in case the trustees for any reason do not lease the house to any of such persons who do so apply therefor, the trustees may lease it to any other person; such lease to be for such period not extending beyond the same calendar year as the trustees may determine.

Terms and Conditions of Leases.

8. All leases under this Article shall be for such rentals and upon such terms and conditions as the trustees specify therein. Without limiting the generality of the foregoing sentence, any such leases may, if the trustees so specify therein, be made subject to termination for breach of any reasonable rules and regulations (of which the lessee has reasonable notice) made by the trustees pursuant to Article IV for the purpose of preventing any use of the trust property which the trustees deem objectionable. If a lease made to any lessee under any paragraph of this Article is terminated through the fault of the lessee, it shall be discretionary with the trustees whether to grant such lessee any lease thereafter.

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9. The trustees may, irrespective of the above provisions as to leases of houses, grant leases of farm houses and farming premises to any persons for farming purposes, for such periods not exceeding five years and upon such terms and conditions as the trustees may determine. Farming Leases.

10. Subject to existing leases and to the prior rights to leases set forth in paragraphs 3, 4 and 5 of this Article, the trustees may from time to time lease any portion or all of the real estate on Naushon, Uncatena and neighboring islands to any corporate or other organization of which all outright holders of shares from time to time are members or are entitled to become members (and/or contract with reference to said property with such organization) for such period and upon such terms and conditions as the trustees deem best, provided at least four-fifths (4/5) of the full number of trustees and at least three-fourths (3/4) of the shares outstanding entitled to vote consent thereto. Lease to Shareholders' Organization.

11. Upon the termination of this trust, any and all leases, contracts and rights of renewal under this Article may be terminated by the trustees if they deem it advisable. Leases Subject to Termination of Trust.

12. The provisions of this Article apply only to property on Naushon, Uncatena and neighboring islands. Applicable Only to Islands.

ARTICLE VI.

Charges.

1. Ownership Charges of two classes, Class A and Class B, shall be assessed each fiscal year on the basis of the actual or prospective capital expenses of the trust for that year as determined by the trustees. Ownership Charges.

(a) Class A Charges shall be a per capita assessment upon each shareholder of such amount as the trustees shall determine each year, provided, however, that this assessment shall never exceed three hundred dollars ($300) per shareholder for any one year except with the consent of at least four-fifths (4/5) of the full number of trustees and at least three-fourths (3/4) in number of the shareholders holding full shares. Class A.

(b) Class B Charges shall be an assessment upon the shares of all shareholders at such rate per share as the trustees shall determine each year. Class B.

Use Charges.

2. Use Charges shall be assessed each fiscal year, in such manner, at such rates and in such amounts as the trustees shall determine, upon shareholders and other persons who use the trust property in that year.

ARTICLE VII.

Lien on Shares.

Lien and Deposit.

1. Shares shall be subject to a lien for all Charges assessed upon them or upon the holder thereof in accordance with the provisions of Article VI. Except as the trustees may determine otherwise pursuant to rules and regulations as provided in paragraph 4 of this Article, certificates for shares, duly endorsed for transfer, shall be deposited with the trustees as security for the payment of all Charges assessed or to be assessed, and no person to whom any shares are issued or transferred shall have the rights or benefits appertaining or accruing to his shares until the certificates therefor have been so endorsed and deposited.

Transferees.

2. Any person to whom shares are transferred shall take them subject to any such lien existing thereon at the time of transfer except to the extent that the trustees may release the shares from such lien.

Foreclosure of Lien.

3. If any Charges assessed upon a shareholder or his shares as aforesaid remain unpaid for two years from the date of notice thereof to said holder or to his legal representative, any shares subject thereto may at any time after thirty (30) days' written notice to the holder thereof or to his legal representative, be sold by the trustees to any lineal descendant of John M. Forbes or to any husband or wife of a deceased shareholder, at such prices and for such considerations as the trustees may determine. If the proceeds from any such sale shall exceed the amount of all unpaid Charges to which the shares are subject at the time of sale, the excess shall be paid to the person whose shares have been sold.

Regulations.

4. Reasonable rules and regulations consistent with the foregoing may be made by the trustees with respect to deposit of certificates, release of shares from liens, enforcement of liens and other matters incident to the provisions of this Article.

ARTICLE VIII.

Certain Powers of the Trustees.

1. The trustees shall have power:

(a) To manage and improve the trust property in any manner deemed by them beneficial to this trust and the shareholders thereof. Manage. Improve.

(b) To acquire by purchase, partition, release, gift, bequest, devise or otherwise, and to make contracts with respect to, any real or personal property or any interest therein. Acquire.

(c) To retain, invest and reinvest in any property, real or personal of whatever character or amount, which the trustees consider desirable investments, and any investment made or retained by them in good faith shall be proper. Retain. Invest.

(d) To hold securities in bearer or unregistered form, and to hold any real or personal property in the name of this trust, or in the name of one or more of the trustees or in the name of a nominee or nominees, in each case without indication of any trust. Hold Property in What Names.

(e) To vote directly or by proxy, give consents, and take other action with respect to the affairs of any corporation, trust or organization whose securities are held by this trust; to act in such manner as the trustees deem proper in any reorganization, merger or consolidation affecting such securities; and to amend or terminate any other trust or organization in which this trust is interested as beneficiary or otherwise. Vote and Act As to Securities.

(f) To decide what is income or principal, and all questions between income and principal, as they think fair and reasonable in each case as it arises, and notwithstanding any rules of law that in the absence of this express power might be applicable thereto. Income and Principal.

(g) To compromise or submit to arbitration any claim or matter in dispute. Compromise.

(h) To execute and deliver all necessary and proper deeds, contracts and other instruments incident to any of their powers. Execute Instruments.

(i) To sell, lease or exchange any or all of the personal property, real estate or interests therein held by this trust, in such manner, to such persons, for such cash, securities or other considerations, and upon such terms as to credit or otherwise as the trus- Sell. Lease. Exchange.

tees may determine. But no sale or exchange of any real estate (or interests therein) located on Naushon, Uncatena or neighboring islands, and no lease thereof otherwise than as provided in Article V, shall be made except by the action of the full number of trustees and with the consent of at least three-fourths (¾) of the shares entitled to vote. In addition to, and not in limitation of their foregoing powers, the trustees shall have power to convey and transfer any real estate at Woods Hole, Massachusetts, and/or any interests therein, to any trust or organization, and in connection with any such conveyance or transfer to acquire hereunder shares or transferable shares of beneficial interest issued by such trust or organization; and (without limiting the generality of the provisions of Article XI) the trustees are hereby expressly empowered to make such conveyance or transfer notwithstanding that they or any of them may have, at the time of such conveyance or transfer or thereafter, a direct or indirect interest, personal or otherwise, in such transferee trust or organization or in the mode, result, or effect of making such conveyance or transfer. Any sale or other disposition of property under this paragraph may be made in connection with the termination of this trust or the reorganization thereof or may be made for any other reason. Any lease under this paragraph shall be valid although it extends beyond the life of this trust.

Woods Hole Property.

Borrow. Give Security.

(j) By action of at least four-fifths (4/5) of the full number of trustees, to borrow money and to issue bonds, notes and other evidences of indebtedness of this trust, for such periods, at such rates of interest and upon such other terms as they may determine, and as security therefor to pledge any personal property of this trust and to mortgage any mainland real estate or interests therein. Any such pledge or mortgage may confer a power of sale.

Distribute.

(k) To determine what is surplus and, by unanimous action of the full number of trustees, to make distributions from surplus to shareholders ratably.

Distribute in Kind.

(l) In making distributions from surplus as hereinabove provided, or in distributing the trust estate at the termination of this trust, to distribute wholly or partially in kind and/or to sell for distribution, with power to transfer investments and to convey real property or any interest therein, whether separate and/or

undivided, or tangible personal property, as part or the whole of the share of any person, with or without transferring or conveying similar property to any other person, and at such valuations as they shall deem just, which valuations, when made in good faith, shall be conclusive.

Other Powers.

2. In addition to the powers expressly granted in this Declaration, the trustees shall have all powers and discretions granted by law which are consistent herewith.

Time of Exercise.

3. The trustees may exercise all their powers from time to time in their discretion, not only during the period of the trust but also after the termination thereof for purposes of distribution.

ARTICLE IX.

Trustees' and Shareholders' Action and Meetings.

Action at Trustees' Meetings.

1. Except as otherwise expressly provided in this Declaration, all action taken by vote of a majority of the trustees, at a meeting duly called and held, shall have the same force and validity as if the full number of trustees had joined therein.

May Act Without Meeting.

2. The trustees may act without holding a meeting, except in cases where a meeting is expressly required by this Declaration, provided that all the trustees in office sign a certificate of such action; and all action so certified shall have the same force and validity as if taken by those same trustees at a meeting duly called and held.

Delegation of Powers.

3. Any trustee may by written instrument acknowledged by him delegate all or any of his powers and discretions to one of the other trustees (or to one or more trustees jointly, jointly and severally, or successively) for a period not exceeding one year, may in like manner renew such delegation from time to time and may revoke any such delegation. Such delegation may confer power to substitute one or more other trustees as the delegating trustee's representatives.

4. In determining how many trustees have joined in any act or in any instrument, each trustee joining therein through one or more representatives as provided in paragraph 3 of this Article shall be included in the count. A trustee joining in any act or instrument, as evidenced by his vote, signature or otherwise, and holding delegated

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authority from another trustee to join therein on behalf of that trustee shall, in the absence of evidence to the contrary, be deemed to join therein both for himself and for the trustee whom he represents.

Rules for Meetings.

5. The trustees may make rules and regulations consistent herewith for the calling, giving notice, holding and conduct of meetings of the trustees and for the conduct of other proceedings of the trustees.

Shareholders' Action.

6. Shareholders, in so far as action by them is required, may act with or without a meeting, and while existing may vote, give consents, nominate candidates for trusteeships, give waivers and otherwise act either personally or through their agents or proxies or through their guardians or other legal representatives.

Annual Meeting.

7. There shall be an annual meeting of shareholders which shall be held on Naushon Island, at 3 o'clock (Daylight Saving Time) in the afternoon on the third Saturday of July of each year, or at such other time in the month of July or at such other place as the trustees may determine. A written notice stating the time and place of such meeting shall be mailed by the trustees to all shareholders at least fourteen (14) days before such meeting. At the annual meeting, the trustees shall make a written report and accounting to the shareholders containing a summary of such action as the trustees have taken during the past year and consider taking in the future.

Special Meetings.

8. Special meeting of shareholders may be called by any two of the trustees or by ten per cent (10%) in interest of the shareholders. A written notice stating the time, place and purposes of the meeting shall be mailed to all shareholders at least thirty (30) days before such meeting by the persons calling the meeting or by the trustees.

Notices. Communications.

9. Notices or communications to or from any shareholders required or provided for in this Declaration shall be sent by mail, cable or telegram. Such notice or communication to a shareholder shall be addressed to him at the address specified in the register or such other address as the shareholder may designate in writing. The failure of any shareholder to receive a notice sent to him as provided herein shall not affect the validity of such notice. The certificate of the person or persons sending such notice or communication shall be sufficient evidence thereof and shall protect all persons acting in good faith in reliance on such certificate. Any shareholder may waive any notice.

10. Wherever notice or other communication is required by this Declaration to be given to shareholders, such notice or other communication shall be deemed to have been given on the day it is sent. Wherever notice or other communication is required to be given to the trustees, such notice or other communication shall be deemed to have been given on the day it is received by the trustees.

ARTICLE X.

Execution of Instruments.

Signature.

1. All instruments (including, but not limited to, deeds, leases, contracts, releases, notes, checks, drafts, securities, assignments, endorsements and proxies) executed by authority of the trustees and signed on behalf of this trust by a majority of the trustees or by such one or more trustees or agents as the trustees shall from time to time authorize generally or specifically, shall have the same force and validity as if signed by the full number of trustees.

To Protect Trustees and Shareholders.

2. All agreements, obligations, instruments, papers and actions by or in the name and behalf of this trust shall be made, incurred, executed, signed or taken by or in the name and behalf of "Naushon Trust" or by the trustees as trustees hereunder but not personally, and shall, in such cases and in such manner as the trustees deem advisable, expressly exempt the trustees and shareholders from personal liability and expressly provide that the trust estate alone shall be liable thereunder or by reason thereof.

Seal.

3. The trustees may from time to time adopt and use a form of seal for this trust. Such seal may be affixed to any instrument by any trustee, or by such officer or agent as the trustees shall from time to time authorize generally or specifically. The recital of a seal in any instrument executed on behalf of this trust or a recital that it shall take effect as a sealed instrument, shall give it the same force and validity as if the seal of this trust, if any, were affixed thereto.

Acknowledgment.

4. Any instrument, certificate or other paper signed by trustees which is to be recorded may be acknowledged by any one of the signers.

5. Acknowledgments required by this Declaration shall be made in the manner from time to time prescribed by the law of Massachusetts for the acknowledgment of deeds of land therein.

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Recording.

6. While this trust holds any real estate, all instruments, certificates or other papers required by this Declaration to be recorded shall be recorded with Dukes County Deeds, or if they cannot be so recorded they shall be recorded wherever any such real estate is situated or the title thereto registered.

7. In the event that at any time the trust property shall cease to include real estate, any of the terms of this Declaration requiring the recording of any document or certificate shall be deemed to have been satisfied, and any act the effectiveness of which depends upon the recording of any document or certificate shall be deemed to have been effectively done upon the acknowledgment of the document or certificate otherwise required by the terms of this Declaration to be recorded.

ARTICLE XI.

Protection of Persons Dealing with Trust.

Third Persons Need Not Examine Trusts.

1. Purchasers, transfer agents and other persons dealing with this trust or any trustee shall not be required to examine into the trusts hereunder or to see to the application of any money or property paid or transferred to any trustee, and may deal with the trust property as if the trustees were the owners thereof free of all trusts.

Certificate by Trustees Conclusive.

2. A certificate signed by a majority of the trustees and acknowledged by one or more of them as to who is trustee, or as to a change of trustees, or as to any action by the trustees or shareholders, or as to any other fact affecting this trust or affecting the validity of any action hereunder, may be treated as conclusive evidence thereof by persons dealing with this trust, but where land is concerned, such certificate shall be conclusive evidence only when duly recorded.

Trustees and Shareholders May Deal With Trust.

3. Any trustee, shareholder, officer or agent of this trust or any firm, trust, corporation, concern or estate in which he is interested as a member, trustee, director, officer, beneficiary, shareholder, agent, fiduciary, or otherwise, may sell to, buy from, contract with and otherwise deal with this trust as freely and effectually as though no interest or fiduciary relation existed; and the trustees hereunder shall have power to exercise or concur in exercising all powers and discretions given to them hereunder or by law, notwithstanding that they or any of them may have a direct or indirect interest, personally or otherwise, in the mode, result or effect of exercising such powers or discretions.

4. Without limiting the generality or effect of the foregoing paragraphs of this Article, it is hereby provided that if a conveyance or transfer of the trust property or any part thereof is made by the trustees to themselves or to any person in any way interested in this trust it shall be conclusively presumed in favor of all persons dealing with the property so conveyed or transferred or claiming under such conveyance or transfer that the same has been made in good faith, for adequate consideration, and in accordance with the powers contained in this instrument, and is in all respects valid and proper.

ARTICLE XII.

Protection of Trustees and Shareholders.

Not a Partnership.

1. A trust, and not a partnership or association, is created by this Declaration. The relationship of the shareholders to the trustees is solely that of *cestuis que trustent,* and neither the shareholders nor the trustees are partners.

No Liability on Shareholders.

2. No shareholder shall be personally liable for any obligation or liability incurred by this trust or by the trustees, and the trustees shall have no right of indemnity or exoneration against the shareholders in respect thereof.

No Personal Liability on Trustees.

3. Subject to paragraph 6 of this Article, no trustee shall be personally liable for any obligation or liability incurred by this trust or by the trustees, and each trustee shall be entitled to reimbursement and exoneration out of the trust estate according to law.

4. The trust estate alone shall be liable for the payment or satisfaction of all obligations and liabilities incurred in carrying on the affairs of this trust.

Proceedings Against Trust.

5. Proceedings against this trust may be brought against the trustees as trustees hereunder but not personally. The trustees shall be parties thereto only in so far as necessary to enable such obligation or liability to be enforced against the trust estate. In such proceedings, service of process upon one of the trustees shall be sufficient.

Trustees' Liability to Shareholders.

6. No trustee shall be liable to this trust or the shareholders except for his own acts, neglects and defaults in bad faith.

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ARTICLE XIII.

Transfer of Shares.

Meaning of Terms.

1. The provisions of this Article XIII as to transfers shall apply to (a) transfers of shares of this trust by sale, gift, bequest, devise, appointment, operation of law or otherwise; (b) transfers thereof in trust; (c) the creation of trusts thereof by declarations of trust; and (d) distributions and other transfers thereof by fiduciaries other than the trustees hereunder.

In this Declaration, the following words and phrases shall have the following meanings, unless the context otherwise requires:

"Proponent": In the case of a voluntary *inter vivos* transfer that is executed or contemplated, the "proponent" will be the person (usually the transferor) entitled to propose that the shares be transferred on the share register or else purchased from him.
In the case of a transfer by will or intestacy, or an involuntary *inter vivos* transfer, the "proponent" will be the person (usually the transferee) entitled to propose that the shares be transferred on the share register or else purchased from him.

"Basic Price": Until January 1, 1940, the subscription price per share for the original eight hundred and forty (840) shares mentioned in paragraph 3 of Article II.
After January 1, 1940, the appraised value of a share as determined by the trustees as soon as practicable after January 1, 1940, and as redetermined by the trustees at the end of every ten-year period thereafter.

"Current Basic Price": The basic price at the time in question.

"Outright": In fee simple (or absolutely) and with full beneficial ownership.

Outright Transfers by Lineal Descendant to Own Lineal Descendant.

2. Shares held outright by a lineal descendant of John M. Forbes and transferred by the holder outright to his own lineal descendant shall be transferable on the share register to such transferee as provided in paragraph 9 of Article II.

Other Outright Transfers to Lineal Descendants of J. M. F.

3. In the case of any other transfer outright to a lineal descendant of John M. Forbes, the proponent shall in writing request the trustees to transfer the shares on the share register. If such transfer is for money or money's worth, such request shall state the nature and amount of such consideration. Within six (6) months from the date of receiving such request the trustees shall elect whether or not to consent to the transfer of all or any of the shares and shall notify the proponent in writing of their election. Failure to give notice of their election within said period shall be equivalent to a consent to the transfer.

At any time within two years after the receipt by the trustees of said request for transfer, shares to the transfer of which the trustees consent as aforesaid shall be transferable on the share register in accordance with the proponent's said request and in the manner provided in paragraph 9 of Article II.

In the case of shares to the transfer of which the trustees do not consent as aforesaid, the trustees must in said notice of election offer to purchase such shares on behalf of this trust at the current basic price or (if the transfer is for money or money's worth) at the current fair value of such consideration, whichever is the lower, and in any event less the amount of any unpaid charges or other claims of this trust constituting a lien on the shares. The proponent shall, within two (2) months from the sending of such notice and offer by the trustees, notify the trustees in writing of his acceptance of their offer or else of his election to refuse their offer and withdraw his request for the transfer of shares to the transfer of which the trustees do not consent. Failure to give such notice to the trustees within the said period shall be equivalent to a refusal of said offer and a withdrawal of his said request.

If the proponent accepts the trustees' offer, the trustees shall, if the shares are in their possession, properly endorsed, pay the price immediately to the proponent; and if the shares are not in the trustees' possession, properly endorsed, the proponent shall complete such delivery and endorsement, and shall thereupon be paid the price.

Other Transfers.

4. In the case of any transfer outright to a person who is not a lineal descendant of John M. Forbes, and in the case of any transfer in trust for any person, whether or not a lineal descendant of John M. Forbes, no transfer of the shares on the share register may be made except as permitted hereinbelow, and said shares shall, until such transfer on the share register, be subject to the following provisions:

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The proponent shall in writing notify the trustees of the transfer, stating the names and addresses of himself and any other person who is a transferee. If the transfer is for money or money's worth, said notice shall state the nature and amount of such consideration. If the transfer is by will or trust instrument, said notice shall be accompanied by a true copy of the will or trust instrument. In said notice the proponent shall offer the shares to this trust at the current basic price or (if the transfer is for money or money's worth) at the current fair value of such consideration, whichever is lower, and in any event less the amount of any unpaid charges or other claims of this trust constituting a lien on the shares.

Within six (6) months from receiving said notice and offer, the trustees shall elect whether to purchase any or all of such shares on behalf of this trust.

If within said period the trustees elect not to purchase any or all of such shares, then within said period they may in their discretion (if the proposed transfer on the share register would be one in trust), and they must (if the proposed transfer on the share register would be one to an outright transferee), notify all shareholders in writing that the shares (or such portion thereof as the trustees have elected not to purchase) may be purchased by the shareholders, and at what price (without deduction for any lien of this trust on the shares for unpaid charges or claims) the trustees would have been entitled to purchase said shares. The shareholders shall have six (6) months from the date such notice is sent by the trustees in which to submit bids at not less than said price for all or any part of such shares and the highest of such bids by shareholders shall be accepted by the trustees on behalf of the proponent. If two or more bids are identical, the trustees shall allot the shares between the bidders in such proportions as the trustees may determine. Each shareholder whose bid is accepted shall, upon demand by the trustees, pay to them the price, and as soon as may be thereafter the shares purchased by him shall be transferred on the share register into his name.

The trustees shall notify the proponent in writing, as soon as reasonably possible, whether and to what extent the trustees and/or the shareholders have accepted his offer and purchased the shares, and shall, if the purchased shares are in the trustees' possession (properly endorsed), immediately pay him the price therefor; and if such shares are not in the trustees' possession (properly endorsed), they shall pay

him the price therefor as soon as he delivers the shares to them, properly endorsed. In the case of shares purchased by shareholders as aforesaid, the price payable by the trustees to the proponent shall be the price paid by the purchasing shareholder less the amount of any unpaid charges or other claims of this trust constituting a lien on the shares purchased.

At any time within two (2) years after the trustees' receipt of the proponent's notice and offer, any shares offered by him but not purchased by the trustees or (if offered to the shareholders as aforesaid) by any shareholder, shall be transferable on the share register by the proponent (in the manner provided in paragraph 9 of Article II) to the transferee and upon the terms and conditions specified in his said notice and offer or, with the trustees' consent, to any other person or upon any other terms or conditions.

Shares in Trusts Subject to Being Purchased at Any Time.

5. If shares are transferred on the share register to a trust in accordance with the provisions of paragraph 4 of this Article, or are otherwise held in trust, such shares shall, while so held in trust, be subject to a continuing right and option in the trustees hereunder (a) to purchase from time to time on behalf of this trust all or any of such shares at the current basic price or (if the shares so held in trust were transferred to said trust for money or money's worth) at the cost of the shares to said trust, whichever is the lower, and in any event less the amount of any unpaid charges or claims of this trust constituting a lien on the shares, or (b) to offer from time to time all or any of the shares (so held in trust) for purchase by the shareholders.

In case of such an offer to shareholders, the trustees shall notify in writing the holder of the shares and all other shareholders that the shares may be purchased by the shareholders and at what price (without deduction for any lien of this trust on the shares) the trustees would have been entitled to purchase them under their above-mentioned option (a). The shareholders shall have six months from the date of sending such notice in which to submit bids at not less than said price for all or any part of the shares so offered, and the highest of such bids by shareholders shall be accepted by the trustees on behalf of the holder of such shares. If two or more bids are identical, the trustees shall allot the shares between the bidders in such proportions as the trustees may determine. Each shareholder whose bid is accepted shall, upon demand by the trustees, pay to them the price, and as soon as may be thereafter the shares purchased by him shall be transferred on the share register into his name.

As soon as any shares are purchased by the trustees or any shareholder as aforesaid, the trustees shall notify the holder thereof, and shall, if the shares are in the trustees' possession (properly endorsed), immediately pay him the price therefor; and if the shares are not in the trustees' possession (properly endorsed), they shall pay him the price therefor as soon as he delivers the shares to them, properly endorsed. In the case of shares purchased by a shareholder as aforesaid, the price payable by the trustees to the holder shall be the price paid by the purchasing shareholder less the amount of any unpaid charges or other claims of this trust constituting a lien on the shares purchased.

Fractional Shares.

6. Fractional shares may be transferred in the same manner and subject to the same restrictions as full shares.

ARTICLE XIV.

Shares Re-acquired by Naushon Trust.

Power to Acquire Shares of Trust.

1. The trustees shall have power on behalf of this trust to purchase any shares thereof at a price not exceeding the basic price as defined in Article XIII, and to re-acquire any shares of this trust by gift, bequest, devise or otherwise.

Sale of Treasury Shares.

2. Shares of this trust re-acquired by the trustees on behalf of this trust in any manner shall be held in the treasury, and any of such shares may from time to time be sold to any lineal descendant of John M. Forbes or to any husband or wife of a deceased shareholder, at such prices and for such considerations not less than the cost price thereof to the trustees, as the trustees may determine.

Status of Treasury Shares.

3. Such re-acquired shares while held in the treasury shall not be entitled to any voting or other rights or benefits, shall not be subject to assessments or other charges, and shall not be deemed outstanding in computing proportions or percentages of shares or shareholders.

ARTICLE XV.

Shares Placed in Trust.

In the case of shares held by shareholders in trust or in any other fiduciary capacity, the incidence of the burdens and benefits accruing to such shares by virtue of the provisions of this instrument shall in

each case, be determined by the trustees hereunder in their absolute discretion with full power to alter their decision in any particular case from time to time and without obligation to follow in one trust the precedent created by their decision in another. As to such shares, the trustees hereunder may in their discretion from time to time abrogate any rights or privileges given by the provisions of this instrument, except any right or privilege (a) to share in any income or capital distribution, (b) to transfer shares as provided herein, or (c) to vote, propose candidates for trusteeships, give consents or take other action with respect to the affairs of this Naushon Trust.

ARTICLE XVI.

Termination and Amendment.

Duration of Trust.

1. Unless sooner terminated as provided in paragraph 2 of this Article, this trust shall terminate upon the expiration of twenty (20) years from the death of the last survivor of the following-named great-grandchildren and great-great-grandchildren of John M. Forbes:

Henry Russell Atkinson, son of Ellen Forbes Atkinson of Brookline, Massachusetts;

David Cabot Forbes and Pauline Forbes, son and daughter of Ralph E. Forbes of Milton, Massachusetts;

John Forbes Russell and Robert Shaw Russell, sons of James S. Russell of said Milton;

John Forbes Amory of Cambridge, Massachusetts, and Walter Amory of Providence, Rhode Island, sons of Mary Russell Amory;

John Hastings Hughes, son of Walter S. Hughes of Cambridge, England;

Elliot Forbes and Anne Forbes, son and daughter of Edward W. Forbes of Cambridge, Massachusetts;

Waldo E. Forbes and Amelia Forbes, son and daughter of Ellen Forbes of said Milton;

Florence Forbes and Alexander Irving Forbes, daughter and son of Alexander Forbes of said Milton;

Gordon Donald Forbes and Marguerita Hoima Forbes, son and daughter of Gerrit Forbes of Sunninghill, Berkshire, England;

Elizabeth Forbes and Marjorie Forbes, daughters of Henry S. Forbes of said Milton;

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William Emerson and Hope Emerson, son and daughter of Amelia Forbes Emerson of Concord, Massachusetts;

Hester Anne Howland and Judith Forbes Howland, daughters of Alice Forbes Howland of said Milton;

Ethel Forbes and Joan Forbes, daughters of John Malcolm Forbes of Winter Park, Florida;

Michael Paine, son of Ruth Forbes Paine of New York City;

Mary Stewart, Anne Stewart, Jane Stewart and Sarah Malcolm Stewart, daughters of Sarah Klebs Stewart of Stamford, Connecticut;

Henry Francis Colt, Jr., Ellen Colt and Mary Forbes Colt, daughters of Mary Atkinson Colt of Cambridge, Massachusetts;

Walter Amory, Jr. and John Copley Amory, sons of said Walter Amory;

Douglas B. Smith, Jr., son of Catherine Amory Smith of West Point, New York;

Henry Sturgis Russell, Jr., and Susan Whitmore Russell, son and daughter of Henry Sturgis Russell of Carpenteria, California.

Amendment Termination.

2. The terms of this Declaration may from time to time be amended, added to or rescinded in any particular whatsoever, or this trust may be terminated, in each case by vote of at least four-fifths (4/5) of the full number of trustees with the consent of at least three-fourths (3/4) of the shares entitled to vote, except that the maximum Class A assessments permitted by this instrument shall not be increased without the consent of three-fourths (3/4) in number of the shareholders holding full shares. Such termination or any amendment to this trust shall take effect when a certificate thereof shall have been signed by a majority of the trustees, acknowledged and recorded.

Distribution.

3. Upon the termination of this trust the trustees shall distribute the trust estate and/or the proceeds of any sale or disposition thereof among all the holders of full and fractional shares ratably according to their respective holdings of such shares.

Limitation on Rights of Shareholders.

4. No shareholder shall be entitled to put an end to this trust, to require a division of any of the trust estate or to possess, use or enjoy specific property thereof except in each case as specifically provided herein. The death, bankruptcy or legal incapacity of a shareholder or a trustee, or the transfer of shares by a shareholder shall not operate to terminate this trust or entitle any such trustee or shareholder or his legal representatives to an accounting.

ARTICLE XVII.

1. The construction and operation of this trust shall be governed by the laws of The Commonwealth of Massachusetts. Article headings and marginal notes in this Declaration are inserted for convenience only. They are no part of this instrument, nor shall they be considered in the construction thereof. Construction.

2. In addition to the definitions contained elsewhere herein, the following words and phrases wherever used in this Declaration shall have the following meanings unless the context otherwise requires:

The name "John M. Forbes" shall refer to the person by that name, late of Milton, who died October 12, 1898; "full number of trustees" shall mean the number required to fill all the trusteeships (five, six or seven, as the case may be) currently authorized as provided in paragraph 1 of Article III; "trustees" or "trustees in office" shall mean the one or more persons for the time being in office hereunder as trustee, whether original, additional or successor; the word "agents" shall include any employees; the words "this Declaration" mean this Declaration as from time to time amended; any words denoting persons shall include firms, associations, trusts, joint stock companies and corporations, and any expression in one gender shall include the other genders.

In Witness Whereof W. Cameron Forbes, Rose D. Forbes, James S. Russell, Ralph E. Forbes and Ellen Forbes have hereunto set their hands and seals.

Executed in two counterparts, and dated May 2, 1932.

W. Cameron Forbes (seal)

Rose Dabney Forbes (seal)

James S. Russell (seal)

Ralph E. Forbes (seal)

Ellen Forbes (seal)

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THE COMMONWEALTH OF MASSACHUSETTS.

SUFFOLK, SS.

On this 2nd day of May, 1932, before me appeared W. Cameron Forbes, Rose D. Forbes, James S. Russell, Ralph E. Forbes and Ellen Forbes, and each severally acknowledged the foregoing instrument to be his or her free act and deed.

WITNESS my hand and notarial seal the day and year aforesaid.

{NOTARIAL SEAL}

STANDISH BRADFORD
Notary Public

My commission expires Jan. 18, 1935.

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Excerpt from Minutes of

Naushon Trustees' Meeting held November 22, 1949

Amendment to
Naushon Trust

It was VOTED: That the Naushon Declaration of Trust dated May 2, 1932 be amended in the following two respects:

(1) by adding the following words to the end of Section 3 of Article XVI:

"and any such distribution prior to termination shall be made in the same manner";

(2) by adding the following words to the end of the first sentence of Section 2 of Article XVI:

"and except that Section 3 of this Article XVI, as amended on November 22, 1949, shall not be further amended."

Note--The four trustees present at the meeting voted in favor. The fifth trustee, Amelia F. Emerson who was absent, subsequently voted in fa Twenty-three shareholders representing 737 shares consented to the amendment.

NAUSHON TRUST
C/O J. M. FORBES & CO.
53 STATE STREET
BOSTON, MASSACHUSETTS 02109

July 28, 1969

Hon. Hastings Keith
House of Representatives
Washington, D. C. 20515

Dear Mr. Keith:-

I have your letter of July 18th inquiring about the future status of the Elizabeth Islands and I am glad to send you herewith a copy of the trust instrument under which we operate.

I should like to make the comment that it is not the terms of the trust, but the intentions of the trustees and the shareholders which have preserved the Islands in their present state and will continue to do so in the future.

In 1967 the Department of the Interior sent a study group to the Elizabeth Islands under the leadership of Mr. Richard W. Gross of the Bureau of Outdoor Recreation. This group included Mr. Woock of the Bureau of Outdoor Recreation, Mr. Whitehouse and Mr. Dame of the National Park Service, and Mr. French of the Bureau of Sport Fisheries and Wildlife. In addition, Mr. Zabriskie, Mr. Hawes and Mr. Kirshen of the Massachusetts Department of Natural Resources joined the study.

The*report made by this group contains over 100 pages. It says in part, "Consequently, the recommendation of this study is that the Elizabeth Islands and their surrounding islets, except Cuttyhunk and Pennikese and their islets, be retained and managed under present stewardship. The Federal Government will, from time to time, continue to express their interest in the Islands and their proper management. - - -"

It is my understanding that the recommendation of the study group was based on their findings of how the Islands are in fact managed, the attitudes of all of the people they encountered there and on the fact that there is already very extensive public use of the sand beaches there, most of which are open to the public.

I believe they were satisfied that the present and predictable management of the Islands would continue

the policies which have been followed in the past.

I have had many discussions with the owners of Pasque and Nashawena and they have uniformly expressed the same philosophy as that held by the Naushon owners: that the Islands should not be developed or sold; that they should always be kept in a natural state; that if it were no longer possible for our family group to continue to support them, a private charity such as the Audubon Society or the Trustees of Reservations would be the first choice for continuing the Islands in their present condition.

At the present time, Naushon has about eighty shareholders so that the burden is widely distributed. No individual owns as much as five percent of the shares. This means that the death of a shareholder does not present the problems occasioned by estate taxes that are found in some situations.

I would welcome an opportunity to see you and answer all questions more fully than can be done in this letter. I would very much like to have you visit Naushon this summer or fall if that is possible so that you may have first-hand observation on which to answer the questions that come to you. If you would let me know when would be a convenient time for you to come I will be delighted to arrange it.

It would be interesting to us to know from whom the inquiries about the Elizabeth Islands come and what sort of interest they represent.

I hope that we may look forward to a visit from you in the near future.

Sincerely yours,

David C. Forbes

David C. Forbes,
Trustee

enclosure

*United States Department of the Interior
Bureau of Outdoor Recreation
Island Study Phase III Report
on Elizabeth Islands in Dukes County, Massachusetts
Prepared by Northeast Regional Office
Bureau of Outdoor Recreation
Philadelphia, Pennsylvania