

COLLEAGUES TRUST

ARTICLE I CREATION OF TRUST

Introductory Clause. This Trust Agreement is dated December 22, 2011.

The formal name of this Trust and the designation to be used for the transfer of title to the name of this Trust is: "**Colleagues Trust, dated December 22, 2011**" and is referenced herein as the "Trust" or the "Trust Agreement".

I, Jeffrey E. Epstein, a resident of the United States Virgin Islands, transfer to the Trustee, ten dollars and other consideration, and, the Trustee shall administer this property, together with any additions, changes or amendments, according to this instrument.

ARTICLE II DESCRIPTION OF PROPERTY TRANSFERRED

The Grantor has paid over, assigned, granted, conveyed, transferred and delivered, and by this Agreement does hereby pay over, assign, grant, convey, transfer and deliver unto the Trustee the property described in Schedule A, annexed hereto and made a part hereof. Any property that may be received or which has been received by the Trustee hereunder, as invested and reinvested (hereinafter referred to as the "Trust Estate"), shall be held, administered and distributed by the Trustee as hereinafter set forth.

All assets titled in the name of this Trust, but not listed in Schedule A, shall be considered a part of the Trust Estate as if such asset had been set forth on the attached Schedule A.

Any person may, from time to time, with the consent of Trustee, by conveyance, assignment, transfer, or will, add property of any kind to the Trust Estate, or any part of it, which shall then be subject to all the terms and provisions of this Trust.

ARTICLE III RIGHT TO DISPOSE OF TRUST ESTATE

During the Grantor's lifetime, the Trustee shall dispose of all, or any part, of the Trust Estate in such manner as the Grantor may from time to time direct. This authorization shall not be effective if the Grantor has been adjudicated to be incompetent or in the event that the Grantor is not adjudicated incompetent but by reason of illness or mental or physical disability is, in the opinion of the Trustee, unable to properly handle the Grantor's own affairs.

**ARTICLE IV
GRANTOR'S RIGHT TO MODIFY TRUST AGREEMENT**

The Grantor may, by signed instruments delivered to the Trustee during the Grantor's life: (1) withdraw property from this Trust in any amount and at any time upon giving reasonable notice in writing to the Trustee; (2) add other property to the Trust; (3) change the beneficiaries, their respective shares and the plan of distribution; (4) amend this Trust Agreement in any other respect, including but not limited to the power to remove a Trustee; (5) revoke this Trust in its entirety or any provision therein; provided, however, the duties or responsibilities of the Trustee shall not be enlarged without the Trustee's consent nor without satisfactory adjustment of the Trustee's compensation. [ISLAND GROUNDS IS A C CORP.]

**ARTICLE V
TRUSTEES**

(a) **Definition of Trustee:** All uses of the word "Trustee" in this Trust Agreement shall be deemed a reference to the person or entity then serving as Trustee and shall include alternate Successor or Co-Trustees (if multiple trustees are serving), unless the context requires otherwise.

(b) **Appointment of Trustees:** Grantor shall serve as the initial Trustee of this Trust. Grantor retains the right to appoint a new Trustee in the event he does not wish to serve or is unable to serve. If Grantor shall not appoint a new Trustee or if he is unable to do so, said Trustee shall be appointed as provided under Section "(c)" of this Article VI.

(c) **No Designated and Qualified Successor Trustees:** If at any time there is no Trustee acting under this Trust Agreement and there is no person or entity designated and qualified as Successor Trustee, a majority in interest of the beneficiaries then eligible to receive distributions of income or principal under this Trust Agreement, or their Legal Representatives, shall appoint a Successor Trustee. If any trust existing under this Trust Agreement lacks a Trustee and no successor is appointed pursuant to this Article VI, the vacancy shall be filled by a court of competent jurisdiction. In appointing a Successor Trustee, in accordance with these provisions, the court shall take steps to ensure that no adverse tax consequences arise from the appointment of a Trustee which may cause the Trust to be deemed to be a foreign trust for purposes of U.S. or USVI taxation.

(d) **Rights, Responsibilities, and Duties of Successor Trustees:** Successor Trustee shall have the same rights, powers, duties, discretion and immunities as if named an initial trustee. No Successor Trustee shall be personally liable for any act, or failure to act, of any predecessor Trustee or shall have any duty to examine the records of any predecessor Trustee. A Successor Trustee may accept the account rendered and the property delivered by, or on behalf of, a predecessor Trustee as a full and complete discharge of the duties of the predecessor Trustee without incurring any responsibility or liability for doing so.

(e) **Powers of Trustee:** The Trustee is authorized in its fiduciary discretion (which shall be subject to the standard of reasonableness and good faith to all beneficiaries) with respect to any property, real or personal, at any time held under any provision of this Trust Agreement and without authorization by any court and in addition to any other rights, powers, authority and privileges granted by any other provision of this Trust Agreement or by statute or general rules of law:

(1) To collect trust property and accept or reject additions to the Trust Estate from a Grantor or any other person.

(2) To retain, in the form received, any property or undivided interests in property donated to, or otherwise acquired as, a part of the Trust Estate, including residential property and shares of the Trustee's own stock, regardless of any lack of diversification, risk or nonproductivity, as long as it deems advisable, and to exchange any such security or property for other securities or properties and to retain such items received in exchange, although such property represents a large percentage of the total property of the Trust Estate or even the entirety thereof.

(3) To deposit trust money in accounts of all types, including margin accounts, in all types of regulated financial service institutions.

(4) To invest and reinvest all, or any part of, the Trust Estate in any property and undivided interests in property, wherever located, including bonds, debentures, notes, secured or unsecured, stocks of corporations regardless of class, interests in limited partnerships, limited liability companies or similar entities, real estate or any interest in real estate whether or not productive at the time of investment, interests in trusts, investment trusts, whether of the open and/or closed fund types, and participation in common, collective or pooled trust funds of the Trustee, insurance contracts on the life of any beneficiary or annuity contracts for any beneficiary, without being limited by any statute or rule of law concerning investments by fiduciaries.

(5) To abandon or decline to administer property of no value, or of insufficient value, to justify its collection or continued administration.

(6) To sell or dispose of, or grant options to, purchase any property, real or personal, constituting a part of the Trust Estate, for cash or on credit, at public or private sale, to exchange any property of the Trust Estate for other property, at such times and upon such terms and conditions as it may deem best, and no person dealing with it shall be bound to see to the application of any monies paid.

(7) To hold any securities or other property in its own name as Trustee, in its own name, in the name of a nominee (with or without disclosure of any fiduciary relationship) or in bearer form.

(8) To keep, at any time and from time to time, all or any portion of the Trust Estate in cash and uninvested for such period or periods of time as it may deem advisable, without liability for any loss in income by reason thereof.

(9) To sell or exercise stock subscription or conversion rights.

(10) To refrain from voting or to vote shares of stock which are a part of the Trust Estate at shareholders' meetings in person or by special, limited, or general proxy and in general to exercise all the rights, powers and privileges of an owner in respect to any securities constituting a part of the Trust Estate.

(11) To participate in any plan of reorganization or consolidation or merger involving any company or companies whose stock or other securities shall be part of the Trust Estate, and to deposit such

stock or other securities under any plan of reorganization or with any protective committee and to delegate to such committee discretionary power with relation thereto, to pay a proportionate part of the expenses of such committee and any assessments levied under any such plan, to accept and retain new securities received by the Trustee pursuant to any such plan, to exercise all conversion, subscription, voting and other rights, of whatsoever nature pertaining to such property, and to pay any amount or amounts of money as it may deem advisable in connection therewith.

(12) To borrow money with or without security and to encumber, mortgage or pledge any asset of the Trust Estate for a term within, or extending beyond, the term of the trust, in connection with the exercise of any power vested in the Trustee.

(13) To pledge the Trust Estate and to cause this Trust to guarantee loans made by others to a beneficiary or any business owned by the Trust.

(14) To enter for any purpose into a lease as lessor or lessee, including a lease or other arrangement for exploration and removal of natural resources, with or without option to purchase or renew for a term within, or extending beyond, the term of the Trust.

(15) To subdivide, develop, or dedicate real property to public use or to make or obtain the vacation of plats and adjust boundaries, to adjust differences in valuation on exchange or partition by giving or receiving consideration, and to dedicate public or private easements to private or public use without consideration, including by way of example, qualified conservation and façade easements.

(16) To make ordinary or extraordinary repairs or alterations in buildings or other structures, to demolish any improvements, to raze existing or erect new party walls or buildings.

(17) To continue and operate any business or other enterprise owned by the Grantor at the Grantor's death, whether an interest in a proprietorship, partnership, limited liability company, business trust, corporation, or other form of business or enterprise, and to do any and all things deemed needful or appropriate by the Trustee, including the power to incorporate the business and to put additional capital into the business, for such time as it shall deem advisable by shareholders, members, or property owners, without liability for loss resulting from the continuance or operation of the business except for its own negligence; and to merge or otherwise change the form of business organization or contribute additional capital, close out, liquidate, or sell the business at such time and upon such terms as it shall deem best.

(18) To collect, receive, and receipt for rents, issues, profits, and income of the Trust Estate.

(19) To insure the assets of the Trust Estate against damage or loss and to insure the Trustee, the Trustee's agents, and beneficiaries against liability arising from the administration of the Trust.

(20) To select a mode of payment under any employee benefit or retirement plan, annuity, or life insurance payable to the Trustee, exercise rights thereunder, including exercise of the right to indemnification for expenses and against liabilities, and take appropriate action to collect the proceeds.

(21) To compromise, adjust, arbitrate, sue on or defend, abandon or decline to administer property of no value, or of insufficient value, to justify its collection or continued administration, or otherwise deal with and settle claims in favor of or against the Trust Estate or to prosecute or defend an action, claim, or judicial proceeding in any jurisdiction to protect the Trust Estate and the Trustee in the performance of the Trustee's duties, as the Trustee shall deem best.

(22) To exercise elections with respect to federal, state, and local taxes.

(23) To employ and compensate agents, accountants, investment advisers, brokers, attorneys-in-fact, attorneys-at-law, tax specialists, realtors, appraisers, and other assistants and advisors deemed by the Trustee needful for the proper administration of the Trust Estate, and to do so without liability for any neglect, omission, misconduct, or default of any such agent or professional representative, provided such person was selected and retained with reasonable care.

(24) To appoint a Trustee to act in another jurisdiction with respect to the Trust Estate located in the other jurisdiction, confer upon the appointed Trustee all of the powers and duties of the appointing Trustee, require that the appointed Trustee furnish security, and remove any Trustee so appointed.

(25) To determine what shall be fairly and equitably charged or credited to income and what to principal.

(26) To resolve a dispute concerning the interpretation of the Trust or its administration by mediation, arbitration, or other procedure for alternative dispute resolution.

(27) To hold and retain the principal of the Trust Estate undivided until actual division shall become necessary in order to make distributions; to hold, manage, invest, and account for the several shares, or parts thereof, by appropriate entries on the Trustee's books of account; and to allocate to each share, or part of share, its proportionate part of all receipts and expenses; provided, however, the carrying of several trusts as one shall not defer the vesting in title or in possession of any share or part of share thereof.

(28) To make payment in cash or in kind, or partly in cash and partly in kind, upon any division or distribution of the Trust Estate (including the satisfaction of any pecuniary distribution) without regard to the income tax basis of any specific property allocated to any beneficiary and to value and appraise any asset and to distribute such asset in kind at its appraised value; and when dividing fractional interests in property among several beneficiaries to allocate entire interests in some property to one beneficiary and entire interests in other property to another beneficiary or beneficiaries.

(29) In general, to exercise all powers in the management of the Trust Estate which any individual could exercise in his or her own right, upon such terms and conditions as it may reasonably deem best, and to do all acts which it may deem reasonably necessary or proper, to carry out the purposes of this Trust Agreement.

(30) To purchase property, real or personal, from the Grantor's general estate upon such terms and conditions as to price and terms of payment as the Grantor's executors or administrators and the

Trustee shall agree, to hold the property so purchased as a part of the Trust Estate although it may not qualify as an authorized trust investment except for this provision, and to dispose of such property as and when the Trustee shall deem advisable. The fact that the Grantor's executors or administrators and the Trustee are the same shall in no way affect the validity of this provision.

(31) To lend funds to the Grantor's general estate or to a beneficiary upon such terms and conditions as to interest rates, maturities, and security as the Grantor's executors or administrators and the Trustee shall consider to be fair and reasonable under the circumstances, the fact that they may be the same in no way affecting the validity of this provision.

(32) To receive property bequeathed, devised or donated to the Trustee by the Grantor or any other person; to receive the proceeds of any insurance policy which names the Trustee as beneficiary; to execute all necessary receipts and releases to Executors, donors, insurance companies and other parties adding property to the Trust Estate.

(33) To combine assets of two or more trusts if the provisions and terms of each trust are substantially identical, and to administer them as a single trust, if the Trustee reasonably determines that the administration as a single trust is consistent with the Grantor's intent, and facilitates the trust's administration without defeating or impairing the interests of the beneficiaries.

(34) To divide any trust into separate shares or separate trusts, or to create separate trusts if the Trustee reasonably deems it appropriate and the division or creation is consistent with the Grantor's intent, and facilitates the trust's administration without defeating or impairing the interests of the beneficiaries.

(35) To divide property in any trust being held hereunder with an inclusion ratio, as defined in section 2642(a)(1) of the Internal Revenue Code of 1986, as from time to time amended or under similar future legislation, of neither one nor zero, into two separate trusts representing two fractional shares of the property being divided, one to have an inclusion ratio of one and the other to have an inclusion ratio of zero, to create trusts to receive property with an inclusion ratio of either one or zero and if this cannot be done to refuse to accept property which does not have a matching inclusion ratio to the receiving trust's ratio, all as the Trustee in its sole discretion deems best.

(36) If the Trustee shall act as the Executor of the Grantor's estate, to elect to allocate any portion or all the Grantor's generation-skipping transfer exemption provided for in Code section 2631 or under similar future legislation, in effect at the time of the Grantor's death, to any portion or all of any other trusts or bequests in the Grantor's Will or any other transfer in which the Grantor is the transferor for purposes of the generation-skipping tax. Generally, the Grantor anticipates that the Grantor's Executor will elect to allocate this exemption first to direct skips as defined in Code section 2612, then to Trust, unless it would be inadvisable based on all the circumstances at the time of making the allocation; and to make the special election under section 2652(a)(3) of the Code, to the extent the Grantor's Executor deems in the best interest of the Grantor's estate.

**ARTICLE VI
PAYMENT OF DEBTS AND TAXES**

After the Grantor's death, the Trustee, if in its discretion it deems it advisable, may pay all or any part of the Grantor's funeral expenses, legally enforceable claims against the Grantor or the Grantor's estate, reasonable expenses of administration of the Grantor's estate, any allowances by court order to those dependent upon the Grantor, any estate, inheritance, succession, death or similar taxes payable by reason of the Grantor's death, together with any interest thereon or other additions thereto, without reimbursement from the Grantor's executors or administrators, from any beneficiary of insurance upon the Grantor's life, or from any other person. All such payments, except of interest, shall be charged generally against the principal of the Trust Estate includable in the Grantor's estate for federal estate tax purposes and any interest so paid shall be charged generally against the income thereof; provided, however, any such payments of estate, inheritance, succession, death or similar taxes (except generation-skipping transfer taxes) shall be charged against the principal constituting the residuary trust and any interest so paid shall be charged against the income thereof. If such share or trust was created as a fraction, then such taxes thus paid shall reduce the numerator of that share or trust and the Trust Estate, thus likewise reducing the denominator of the fraction. The Trustee may make such payments directly or may pay over the amounts thereof to the executors or administrators of the Grantor's estate. Written statements by the executors or administrators of such sums due and payable by the estate shall be sufficient evidence of their amount and propriety for the protection of the Trustee and the Trustee shall be under no duty to see to the application of any such payments. If administrative expenses are deducted on the estate's income tax return but paid from principal, then they shall be charged against the residuary trust. The Trustee shall have the power to charge expenses of administration against income or principal, or apportion such expenses; provided, however, this power may not be exercised in a way which would reduce or otherwise adversely affect the marital or charitable deduction otherwise available for federal estate tax purposes. The Trustee shall not exercise this discretion in a manner which is inconsistent with the Internal Revenue Code regulations now in effect or subsequently promulgated.

**ARTICLE VII
DISTRIBUTION OF THE TRUST ESTATE DURING LIFETIME OF GRANTOR**

During the lifetime of Grantor, Trustee shall apply and distribute the Trust Estate income and principal as follows:

- (a) Trustee shall pay to, or apply for, the benefit of Grantor, all of the net income of the Trust Estate, unless the Trustee is otherwise directed by Grantor.

- (b) If at any time Grantor should be incompetent or should for any reason be unable to act in Grantor's own behalf, Trustee may in its absolute discretion, pay to, or apply for, the benefit of Grantor, in addition to the payments provided for Grantor, such amounts from the principal of the Trust Estate, up to the whole of it, as Trustee may from time to time deem necessary for Grantor's use and benefit.

**ARTICLE VIII
DISTRIBUTION OF THE TRUST ESTATE UPON TERMINATION OF TRUST OR UPON
GRANTOR'S DEATH**

In the event this Trust has not been terminated under any prior provision of this Agreement, this Trust Agreement shall terminate upon Grantor's death.

**ARTICLE IX
DESIGNATION OF SUBSTITUTE TRUSTEE**

Grantor During Lifetime to Designate Substitute or Successor Trustee. The Grantor, during the Grantor's lifetime, may name a substitute or successor Trustee and indicate an intent to replace the Trustee named herein. Upon receipt of such notice, the Trustee named herein shall pay over, deliver, assign, transfer or convey to such substitute or successor Trustee (which accepts the appointment as trustee), the Trust Estate and make a full and proper accounting to the Grantor, whereupon the Trustee named herein shall be discharged and have no further responsibility under this Trust Agreement. Upon the failure of the Trustee to make such conveyance, the Grantor may apply to the court having jurisdiction of this Trust and such court may compel the conveyance by the Trustee. The substitute or successor Trustee, upon acceptance of this Trust and the Trust Estate, shall succeed to and possess all the rights, powers and duties, authority and responsibility conferred upon the Trustee originally named herein.

**ARTICLE X
GOVERNING LAW**

This Trust Agreement and the trust created by it shall in all respects and for all purposes be governed and regulated by the laws of *the Territory of the U.S. Virgin Islands* as they now exist and may from time to time be enacted, amended, or repealed. All questions regarding the validity, construction, and administration of this trust instrument, or any of its provisions, and of this Trust shall be determined solely by the laws of that territory. The courts of the State of Delaware and the U.S. Virgin Islands shall have primary supervision over the administration of the trust. It is intended that this Trust shall be a U.S. domestic trust as defined in Title 26, section 7701(a)(30) of the Code, by virtue of meeting the court and control test. As provided in Treas. Reg. Section 301.7701-7(c)(4)(D), if both a United States court and a foreign court are able to exercise primary supervision over the administration of the trust, the trust meets the court test.

**ARTICLE XI
SPENDTHRIFT PROVISION**

While in the hands of the Trustee, neither the principal of, nor the income from, any of the trusts created in this Agreement shall be liable for the debts, contracts, or torts of any beneficiary, nor shall the trust estate be subject to any claim of any creditor of any beneficiary under any writ, process or proceeding, either at law or in equity. No beneficiary shall have the power to sell, assign, transfer, mortgage, pledge, or encumber any interest of any kind in a trust created in this Agreement. Any attempted sale, assignment, transfer, mortgage, pledge, or encumbrance made by any beneficiary prior to actual receipt of trust income or principal shall be void.

**ARTICLE XII
WAIVER OF PUBLIC FILING REQUIREMENTS**

Pursuant to Section 1212, Title 15 of the Virgin Islands Code, the Grantor hereby relieves the Trustee and any Successor Trustee of the requirements imposed by Sections 1191 and 1192, Title 15 of the Virgin Islands Code, or any similar successor law respecting public filings of inventories and accounting by inter vivos trusts, provided the Trustee provide to each beneficiary of any trust or separate share created hereunder, financial reports which would be so filed no less often than annually.

**ARTICLE XIV
COUNTERPARTS**

This Trust Agreement may be executed in counterparts, each of which shall be an original, but together which shall constitute one document.

