

said Trustee shall distribute the then remaining principal and undistributed income to the issue then living of such deceased child of the Grantor such issue to take per stirpes, and if no issue of such deceased child of the Grantor is then living, said Trustee shall distribute the then remaining principal and undistributed income in accordance with Paragraph III (E) hereof.

E. In the event that any one or more of the separate trusts created hereunder for a child of the Grantor or for the issue of a deceased child fails before complete distribution of such trust or trusts for want of a beneficiary, the Trustee shall pay the then remaining principal and undistributed income to the Grantor's then living issue, such issue to take per stirpes, provided, however, that any distribution of principal and undistributed income directed to be made to any of the Grantor's issue who is a member of a class for whom another share is then being held in trust under the provisions of this trust agreement shall be added to the principal of the share being held in trust for such issue and administered as a part thereof. If no issue of the Grantor is then living, the Trustee shall pay the then remaining principal and undistributed income to such person or persons as would have been entitled to same under the laws of intestate succession had the Grantor died at the time intestate owning personal property and domiciled in the State of North Carolina.

ARTICLE IV

The following provisions relate to the net income and principal of each of the separate trusts established under Article III hereof:

A. Without limiting the absolute discretion of the Trustee,

(1) in the determination from time to time as to whether or not there may be a distribution of net income or principal from the trust to or for the benefit of any one or more of the group to whom such distribution could be made under the terms and provisions of such trust; and

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