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TRUST AGREEMENT
CHURCH OF THE TRANSFIGURATION
ENDOWMENT FUND

This Trust Agreement, is entered into by and between the Grantors, whose signatures are affixed hereto, and Jack P. Wallace, J. Patrick Houren, John D. Copeland, Charles L. Bowman, Lance F. Ellis, hereinafter referred to as "Trustees".

WHEREAS, the Grantors are members of the Church of the Transfiguration, a parish within the Episcopal Diocese of Dallas, Texas; and

WHEREAS, the Grantors desire to establish this Trust for the religious, charitable and educational purposes hereinafter set forth; and

WHEREAS, the Grantors have transferred the sum of Ten Dollars (\$10.00) to the Trustees contemporaneously with the execution of this Agreement and desire to contribute, from time to time, additional funds and property to the Trust, whether during their lifetime or upon their death;

NOW, THEREFORE, the Trustees shall hold in trust and shall administer, use and dispose of such contributions exclusively for the uses and purposes, and subject to the provisions set forth herein.

ARTICLE I

Name of the Trust: The name of the Trust shall be "Church of the Transfiguration Endowment Fund".

ARTICLE II

Transfer of Additional Property to Trustees: The Trustees may receive and accept property, whether real, personal, or mixed, by way of gift, bequest, or devise, from any person, firm, trust or corporation, to be held, administered, and disposed of in accordance with and pursuant to the provisions of this

Trust Agreement, and the Constitution and Canons of the Episcopal Diocese of Dallas, of the Protestant Episcopal Church of the United States of America, and may accept such gifts, bequests and devises on such conditions or limitations as may be specified by the donors, provided that such conditions or limitations are not inconsistent with the purposes of this Trust and do not require the use of income or principal for any purpose which is expressly forbidden by the terms of this instrument, and further provided that no gift, bequest or devise of any such property shall be received and accepted if it is conditioned or limited in such manner as to require the disposition of the income or its principal to any person or organization other than a "charitable organization" or for other than "charitable purposes" within the meaning of such terms as defined in Article X of this Trust Agreement, or as shall in the opinion of the Trustees, jeopardize the Federal income tax exemption of this Trust pursuant to Section 501(c)(3) of the Internal Revenue Code of 1954, as now in force or afterwards amended.

ARTICLE III

Uses of Income and Principal: The principal and income of all property received and accepted by the Trustees to be administered under this Trust Agreement shall be held in Trust by them upon the following terms and conditions:

- A. Uses of Income: All of the income of the Trust or so much thereof as the Trustees, in their sole discretion shall determine, shall be distributed to or expended to the Church of the Transfiguration, a parish of the Episcopal Diocese of Dallas, Texas, in furtherance of its religious, charitable and educational purposes. Any income not so expended shall, at the end of the calendar year, be accumulated and added to principal. In making such distributions of income, the Trustees shall be mindful of

the fact that this fund and the income from it is not to be used as a substitution for the regular giving by the members of the parish, which should always be the primary source of operating funds of the parish. The Trustees are specifically authorized, however, to defray ordinary operating expenses of the parish out of the income of the fund if in their discretion they believe such distributions to be in the best interest of the parish, considering both present and future needs thereof.

B. Use of Principal in Emergencies: No distributions of principal of the fund shall be permitted except in such circumstances as the Trustees, by a three-fourths (3/4ths) vote shall determine to constitute an emergency. By way of illustration, but not in limitation of the power to make emergency distributions of principal, an emergency would be deemed to exist if foreclosure of a mortgage, deed of trust or other lien on real or personal property of the parish were threatened or imminent and no other source of funds was available to satisfy the creditor. An emergency would also be deemed to exist in the event of natural disaster or other catastrophe which destroyed or threatened to destroy property of the parish or which would cause great suffering or harm to members of the parish.

C. Exceptions For Restricted Gifts: The foregoing restrictions on use or distribution of principal and income shall not apply to the principal and income of any specific gift or bequest received and accepted by the Trustees where such gift or bequest is conditioned upon terms which would require distributions of principal and/or income for uses or on conditions other than those specified in subparagraphs A and B.

above, so long as the uses of such income or principal are consistent with the overall purposes of this fund and will not jeopardize the exemption of the fund from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

- D. Certain Acts of Trustees Prohibited: No part of the net earnings of this Trust shall inure or be payable to or for the benefit of any private shareholder or individual, and no substantial part of the activities of this Trust shall be the carrying on of propaganda, or otherwise attempting to influence legislation. No part of the activities of this Trust shall be the participation in, or intervention in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office.

ARTICLE IV.

Duration and Termination of Trust: The Trust shall continue forever unless the Trustees terminate it and distribute all of the principal and income, which action may be taken by the Trustees in their discretion at any time. On such termination, the Trust fund as then constituted shall be distributed to or for the use of the Church of the Transfiguration if the Church is in existence at such time, otherwise to such other charitable organizations sponsored by the Episcopal Diocese of Dallas of the Protestant Episcopal Church in the United States of America, in such amounts and for such charitable purposes as the Trustees shall then select and determine.

ARTICLE V.

Authority to Create Nonprofit Corporation: The Trustees are authorized and empowered to form and organize a nonprofit corporation limited to the uses and purposes provided for in

this Trust Agreement, such corporation to be organized under the laws of any state or under the laws of the United States as may be determined by the Trustees, such corporation when organized to have power to administer and control the affairs and property and to carry out the uses, objects, and purposes of this Trust. Upon the creation and organization of such corporation, the Trustees are authorized and empowered to convey, transfer and deliver to such corporation all the property and assets to which this Trust may be or become entitled. The charter, by-laws, and other provisions for the organization and management of such corporation and property shall be such as the Trustees shall determine, consistent with the provisions of this paragraph.

ARTICLE VI

Amendments: This Trust Agreement may be amended at any time or times by written instrument or instruments signed and sealed by the Trustees, and acknowledged by any of the Trustees, provided that no amendment shall authorize the Trustees to conduct the affairs of this Trust in any manner or for any purpose contrary to the provisions of Section 501(c)(3) of the Internal Revenue Code of 1954 as now in force or afterwards amended. An amendment of the provisions of this Article IV (or any amendment to it) shall be valid only if and to the extent that such amendment further restricts the Trustees' amending power. All instruments amending this Trust Agreement shall be noted upon or kept attached to the executed original of this Trust Agreement held by the Trustees.

ARTICLE VII.

Board of Trustees: The Board of Trustees shall initially consist of five (5) members who are hereinafter named in Paragraph A of Article VII. Their successors shall be elected as provided in Paragraph B of this Article.

- A. Initial Board of Trustees: The initial Trustees shall be Lance F. Ellis, Charles L. Bowman, John D. Copeland, J. Patrick Houren, and Jack R. Wallace, and shall serve until their successors are duly elected as hereinafter provided. In order to accomplish staggered terms for board members, Lance F. Ellis shall serve a one-year term, Charles L. Bowman shall serve a two-year term, John D. Copeland shall serve a three-year term, J. Patrick Houren shall serve a four-year term, Jack R. Wallace shall serve a five-year term. Such terms shall commence on the date of execution hereof by the initial Trustees.
- B. Election of Successor Trustees: Successor Trustees shall be elected by the vestry for five year terms as the terms of the predecessors expire. For each position to be elected, the incumbent members of the Board of Trustees shall submit a slate of three (3) nominees to the vestry, which shall elect such Trustee from such slate. If the vestry does not elect a member from such slate, the nomination process shall be repeated until a new Trustee is elected. No person who has been elected Trustee may succeed himself in office, but may be elected a Trustee again after a period of one year when such person was not a Trustee hereof. No person shall be elected a Trustee hereof who is not a member in good standing of the parish.
- C. Resignation and Removal of Trustees: Any Trustee may at any time, and for any reason, resign by means of a written instrument executed by him or her and delivered to the continuing Trustee or Trustees. A Trustee may be removed from office for failure to

attend two successive meetings of the Board of Trustees by a majority vote of the remaining members of the Board. A Trustee may be removed for any other cause deemed sufficient to warrant such action by the unanimous vote of the other Trustees. All vacancies in office occurring because of the resignation, removal or death of a Trustee, shall be filled by appointment of the remaining Trustees. A Trustee so appointed shall serve until the expiration of the term of the Trustee whom he succeeds. Any succeeding or additional Trustee shall, upon his acceptance of the office by written instrument signed and acknowledged, have the same powers, rights and duties, and the same title to the Trust estate jointly with the surviving or remaining Trustee or Trustees as if originally appointed or elected.

ARTICLE VIII.

General and Administrative Provisions: The following provisions shall apply in the administration of the Trust:

- A. Meetings of Trustees: The Board of Trustees shall meet not less often than quarterly and at such other times as may be required for the effective administration of the Trust.
- B. No Bond Required; Responsibility For Acts of Others: None of the Trustees shall be required to furnish any bond or surety. None of them shall be responsible or liable for the acts or omissions of any other of the Trustees or of any predecessor or of a custodian, agent, depository or counsel selected with reasonable care.
- C. Actions of Trustees: The one or more Trustees, whether original or successor, for the time being in office, shall have full authority to act even though one or more vacancies may exist. Except as otherwise

specifically provided herein, any action of the Trustees may be taken upon a majority vote of the Trustees then in office.

D. Reimbursement For Expenses: The Trustees serving under this Trust Agreement are authorized to pay to themselves amounts for reasonable expenses incurred in the administration of this Trust, but in no event shall any Trustee receive any compensation for serving as such.

E. By-Laws: The Trustees may adopt such rules and regulations for the proper conduct of their meetings, maintenance of records and proceedings of the Trustees, and such other matters incident to the discharge of the Trustees' duties as they, from time to time, may deem necessary or desirable.

ARTICLE IX.

Trustees' Powers: In extension and not in limitation of of the common law and statutory powers of Trustees and other powers granted in this Trust Agreement, the Trustees shall have the following discretionary powers:

A. General Investment Powers: To invest and reinvest the principal and income of the Trust in such property, real, personal, or mixed, and in such manner as they shall deem proper, and from time to time to change investments as they shall deem advisable; to invest in or retain any stocks, shares, bonds, notes, obligations, or personal or real property (including without limitation any interests in or obligations of any corporation, association, business trust, investment trust, common trust fund, or investment company) although some or all of the property so acquired or retained is of a kind or size which, but for this express authority would not be considered proper and although all of the trust funds are invested in the security of one company.

- B. Loans: To make loans to any person, estate, partnership, trust, corporation or other organization, including the Church, provided, however, that no principal or income shall be loaned, directly or indirectly, to any Trustee or to anyone else, corporate or otherwise, who has at any time made a contribution to this Trust, nor to anyone except on the basis of an adequate interest charge and with adequate security, except that the Trustees are specifically authorized to make loans to the Church of the Transfiguration upon such terms, and at such rates of interest with or without security, as the Trustees may determine.
- C. Sales and Leases: To sell, lease, or exchange any personal, mixed, or real property, at public auction or by private contract, for such consideration and on such terms as to credit or otherwise, and to make such contracts and enter into such undertakings relating to the Trust property, as they consider advisable, whether or not such leases or contracts may extend beyond the duration of the Trust.
- D. Oil and Gas Properties: To buy, sell, convey, lease and otherwise deal with any oil, gas, and other minerals and mineral rights and royalties and properties, and operate and develop oil, gas and other mineral properties and interests; pay all reasonable expenses, and execute and deliver any deeds, conveyances, leases, contracts, or written instruments of any character appropriate to any of the powers or duties of the Trustee.
- E. Insurance, Annuities, Etc.: To acquire a life insurance policy on the life of any person, to pay all premiums from either income or principal and to designate such beneficiaries as the Trustee may determine; to issue annuities and to make contracts for the payment

of specified sums or for the payment of a specified rate of return to any person and do any and all other acts necessary to enable the Trust to receive charitable gifts of both present and future interests in property which are deductible for Federal income, estate, and gift tax purposes by the Donor.

- F. Borrowing: To borrow money for such periods, at such rates of interest, and upon such terms as the Trustees consider advisable, and as security for such loans to mortgage or pledge any real or personal property with or without power of sale, to acquire or hold any real or personal property, subject to any mortgage or pledge on or of property acquired or held by this Trust.
- G. Execution of Instruments: To execute and deliver deeds, assignments, transfers, mortgages, pledges, leases, covenants, contracts, promissory notes, releases, and other instruments, sealed or unsealed, incident to any transaction in which they engage.
- H. Voting and Holding Stock. To vote, to give proxies, to participate in the reorganization, merger or consolidation of any corporation, or distribution of its assets; to join with other security holders in acting through a committee, depositary, voting trustees, or otherwise, and in this connection to delegate authority to such committee, depositary, or trustees and to deposit securities with them or transfer securities to them; to pay assessments levied on securities or to exercise subscription rights in respect of securities.
- I. Agents and Nominees. To employ a bank or trust company as custodian of any funds or securities and to delegate to it such powers as they deem appropriate; to hold trust property without indication of fiduciary capacity but only in the name of a registered nominee,

provided the Trust property is at all times identified as such on the books of the Trust, to keep any or all of the Trust property or funds in any place or places in the United States of America; to employ clerks, accountants, investment counsel, investment agents, and any special services, and to pay the reasonable compensation and expenses of all such services.

- J. Classify Income and Principal: To determine in areas of doubt, whether and in what proportions receipts, losses, and expenditures of the Trust shall be allocated or charged to principal or to income thereof.

ARTICLE X

Definitions and Miscellaneous. In this Trust Agreement and in any amendment to it, references to "Trustees" mean the one or more Trustees, whether original or successor, for the time being in office. The term "parish" as used herein, refers to the Church of the Transfiguration, a parish of the Episcopal Diocese of Dallas of the Protestant Episcopal Church in the United States of America.

In this Trust Agreement and in any amendment to it, references to "charitable organizations" or "charitable organization" mean corporations, trusts, funds, foundations or community chests created or organized in the United States or in any of its possessions, whether under the laws of any state, organized and operated exclusively for charitable purposes, no part of the net earnings of which inures or is payable to or for the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation, and which do not participate in or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office.

It is intended that the organization described in this Paragraph shall be entitled to exemption from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1954, as now in force or afterwards amended. In this Trust Agreement and in any amendments to it, the term "charitable purposes" shall be limited to and shall include only religious, charitable, scientific, literary, or educational purposes within the meaning of those terms as used in Section 501(c)(3) of the Internal Revenue Code of 1954, but only such purposes as also constitute public charitable purposes under the law of Trusts of the State of Texas.

The index attached hereto and the paragraph headings used herein are attached and used only for convenience of reference, and shall not be deemed or construed to be a part of this instrument.

Any person may rely on a copy, certified by a notary public, of the executed original of this Trust Agreement held by the Trustees, and of any of the notations on it and writings attached to it, as fully as he might rely on the original documents themselves. Any such person may rely fully on any statements of fact certified by anyone who appears from such original documents or from such certified copy to be a Trustee under this Trust Agreement. No one dealing with the Trustees need inquire concerning the validity of anything the Trustees purport to do. No one dealing with the Trustees need see to the application of anything paid or transferred to or upon the order of the Trustees of the Trust.

ARTICLE XI

Fiduciary Capacity of Trustees: The Trustees' powers are exercisable solely in a fiduciary capacity consistent with and in furtherance of the charitable purposes of this Trust as specified in Article III and not otherwise.


ARTICLE XII

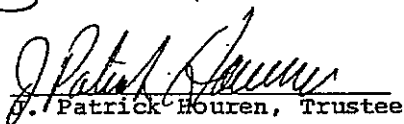
Construction of Trust:

- A. Governing Law: This Trust Agreement shall be governed by the laws of the State of Texas.
- B. Severability: If any part, clause, provision, or condition of this Trust Agreement is held to be void, invalid, or inoperative, such voidness, invalidity, or inoperativeness shall not affect any other clause, provision, or condition hereof; but the remainder of this Trust Agreement shall be effective as though such clause, provision, or condition had not been contained herein.
- C. Interpretative Clause: As used in this Trust Agreement, the masculine, feminine, or neuter gender, and the singular or plural number shall each be deemed to include the others whenever the context so indicates.

IN WITNESS WHEREOF, this Trust Agreement has been signed by the Grantors and the Trustees on this the 21 day of January . , 1978.

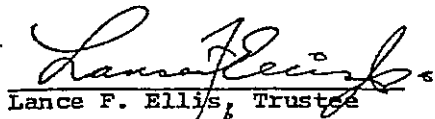
TRUSTEES:


Jack P. Wallace, Trustee


J. Patrick Houren, Trustee


John D. Copeland, Trustee


Charles L. Bowman, Trustee


Lance F. Ellis, Trustee

GRANTORS:

J. Patrick Houren
J. Patrick Houren, Grantor

Jack P. Wallace
Jack Wallace, Grantor

John D. Copeland
John D. Copeland, Grantor

Lance F. Ellis
Lance F. Ellis, Grantor

Alan P. Gibson
Alan P. Gibson, Grantor

Charles L. Bowman
Charles L. Bowman, Grantor

James T. McGowen
James T. McGowen, Grantor

Thomas E. Hudson
Thomas E. Hudson, Grantor

James A. Hogue
James A. Hogue, Grantor

Charles P. Summerall
Charles P. Summerall,
Grantor

Edward W. Forayce, Jr.
Edward W. Forayce, Jr.
Grantor

A. E. Martens
A. E. Martens, Grantor

THE STATE OF TEXAS)
)
COUNTY OF DALLAS)

BEFORE ME, the undersigned authority, in and for said County and State, on this day personally appeared Jack P. Wallace, J. Patrick Houren, John D. Copeland, Charles L. Bowman and Lance F. Ellis, known to me to be the persons whose names are subscribed to the foregoing Trust Agreement as Trustees, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 21 day of January, 1978.

Alan P. Gibson
NOTARY PUBLIC, in and for
Dallas County, Texas.

My Commission Expires:
Sept. 30, 1978

