A RESOLUTION AND DECLARATION OF TRUST
CREATING
"THE PERPETUAL TRUST OF ST. PETER AND ST. PAUL"

WHEREAS, the Corporation of the Bishop of the Episcopal Diocese of Utah, a Utah corporation sole (the "Corporation"), desires to create a trust for the continuous and permanent safeguarding and investment of certain assets currently held by the Corporation for the perpetuation and preservation of such fund, and the investment of earnings thereon, and for receiving and holding other gifts, bequests, grants and contributions, in order to continue to provide a source of revenue to support and further, in perpetuity, the mission and ministry of The Episcopal Church in Utah; and

WHEREAS, it is the intention of the Corporation to keep such funds separated from program and operating funds of The Episcopal Diocese of Utah and to establish such funds as a perpetual fund by establishing limitations upon the extent to which the income and principal may be distributed so that the fund is not dissipated; and

WHEREAS, the Corporation desires to establish a trust which is intended to qualify as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, that is not a private foundation under Section 509(a)(3) of the Internal Revenue Code of 1986, as amended, by virtue of its relationship to, control by, and support of, the purposes of The Episcopal Church in Utah;
NOW, THEREFORE, in order to accomplish such purposes the Corporation of the Bishop of the Episcopal Diocese of Utah does hereby adopt the following Resolution and Declaration of Trust:

1. **Name of Trust.** The trust (hereafter referred to as the "Trust") shall be known as "The Perpetual Trust of St. Peter and St. Paul," in recognition of the apostolic legacy of the Episcopal Church and in the spirit of the ministry and mission of the apostolic leadership of the early Church.

2. **Acceptance by Trustees.** The trustees hereafter appointed shall accept grants or contributions from the Corporation and, after approval of acceptance by the trustees, gifts, bequests, grants or contributions by any other person or entity. Any property, securities or cash so transferred and accepted by the Trust, as well as the proceeds from the sale thereof, shall constitute the principal of the Trust. Title to property of the trust fund shall be in the trustees, and the trustees shall have the power to exercise all rights of absolute ownership, subject to any limitations hereafter made, and subject to such applicable restrictions as may be contained in the constitution and canons of the Protestant Episcopal Church in the U.S.A. (The Episcopal Church).

3. **Trustees.**
   a. **Number and Membership.** There shall be three trustees, one of whom shall be the Diocesan Bishop of the Episcopal Diocese of Utah who exercises jurisdiction (the "Diocesan Bishop") and two of whom shall be individual persons
appointed by the Diocesan Bishop; provided, however, that the
Diocesan Bishop and the Chancellor of the Episcopal Diocese of
Utah shall be the initial trustees, with full power and
authority to act on behalf of the Trust until the Diocesan
Bishop appoints the third trustee, which appointment shall be
made within one year from the date hereof. In the Diocesan
Bishop’s discretion, the Diocesan Bishop may from time to time
increase or decrease the number of appointed trustees;
provided, however, that there shall always be at least two
appointed trustees. At all times, a majority of the trustees
must be adult confirmed communicants in good standing of The
Episcopal Church (but need not be resident within The
Episcopal Diocese of Utah).

b. Term. Except as otherwise provided herein,
the term of the Diocesan Bishop of the Episcopal Diocese of
Utah as a trustee shall automatically terminate when such
person no longer holds such office as Diocesan Bishop and each
successor in such office as Diocesan Bishop shall auto-
matically assume the responsibilities of trustee hereunder
upon ordination, consecration and enthronement as Diocesan
Bishop. The term of an appointed trustee, including the
Chancellor who serves as an initial appointed trustee, shall
be three (3) years or until a successor has been appointed;
provided, however, that appointed trustees may be reappointed
to successive terms by action of the Bishop and are subject to
removal, with or without cause, by action of the Diocesan Bishop.

Upon the retirement, but not upon a resignation or removal, of a Diocesan Bishop, and notwithstanding the creation of a vacancy thereby, such retired Bishop shall continue to serve as a trustee of the Trust until such retired Bishop resigns as trustee, reaches the age of 72, or dies, provided that such retired Bishop is willing to so serve and his or her general health so permits. Such retired Bishop shall serve in the capacity of an appointed trustee except that (i) the three-year term of office shall not apply to a retired Bishop, and (ii) such retired Bishop shall be subject to removal only if the Diocesan Bishop determines that such retired Bishop is no longer mentally or physically capable of acting in the capacity of trustee. Nevertheless, only one retired Bishop shall serve as a trustee of the Trust at any time and, if a Diocesan Bishop retires at a time when another retired Bishop is already serving as a trustee by virtue of the preceding sentence, the most recently retired Bishop shall have the right to continue serving as a trustee until he or she would otherwise cease so to serve and, if willing to so serve and his or her health so permits, shall assume the place of such previously retired Bishop.

If a retired Bishop is the sole remaining trustee upon the death, resignation, retirement, or other event leaving a vacancy in the office of Diocesan Bishop, such
retired Bishop shall have the right and duty to appoint, in consultation with the Chancellor, or if none, the President of the Standing Committee of The Episcopal Diocese of Utah, two other trustees who shall serve until a successor has been ordained, consecrated and enthroned as Diocesan Bishop of the Episcopal Diocese of Utah.

c. **Compensation and Expenses.** Unless a trustee is otherwise compensated by The Episcopal Diocese of Utah, or by any of its agencies or instrumentalities, for his or her time and services rendered in acting as trustee hereunder, a trustee shall be entitled to receive compensation from the Trust for services rendered according to the then prevailing rates charged by trustees with the same general level of experience and expertise for similar services to trusts of a similar nature and size. Such compensation shall be paid periodically, but not less frequently than annually, as the trustees by action hereunder may designate and in all events shall be paid subsequent to the period for which services are actually rendered. In addition to compensation as a trustee as provided in this paragraph c, a trustee of the Trust shall be entitled to reimbursement by the Trust for all necessary expenses arising out of his or her duties as trustee, including without limitation travel, lodging, food and miscellaneous expenses. Any such compensation and expenses paid shall be reflected in the annual accounting prepared
pursuant to the provisions of Article 10 of this Declaration of Trust.

d. **Vacancies.** On death or resignation of any trustee, or upon the occurrence of any other event that creates a vacancy in the office by virtue of the holding of which any individual serves as trustee and no successor has been appointed, the remaining trustees may act on behalf of the Trust in the manner provided in paragraph f of this Article 3. If the vacancy arises by virtue of the death, resignation or removal of an appointed trustee and such vacancy reduces the number of remaining trustees below three, the Diocesan Bishop shall name a successor appointed trustee within one year from the date the vacancy arises.

e. **No Fidelity Bond.** No individual fidelity bond shall be required of any trustee who is included in a blanket fidelity bond which covers other Diocesan officials and employees and the terms of which cover their duties as trustees of the Trust.

f. **Action by Majority.** Trustees shall act as a committee, with a majority of trustees necessary to adopt any actions, provided that the Diocesan Bishop concurs with the majority; provided, however, that when the office of Diocesan Bishop is vacant, the remaining trustees must act by unanimous consent.

g. **Default Corporate Trustee.** In the event that the office of Diocesan Bishop shall become vacant leaving no
remaining individual trustees, the corporate trustee, appointed in the manner provided in Article 12, shall have authority to act as trustee, but only until a successor Diocesan Bishop shall have been ordained, consecrated and enthroned.

h. **No Control by Disqualified Persons.** At no time may the Trust be controlled by "disqualified persons" other than "foundation managers" (as defined in Section 4946 of the Internal Revenue Code of 1986, as amended), and other than by the Corporation.

4. **Purpose of Trust.** This Trust is created to receive and hold gifts, bequests, grants and contributions for the exclusive benefit of the Corporation, for the protection and investment thereof as a perpetual endowment fund, distributions from which shall be devoted to religious, charitable, and educational purposes, including without limitation, to further building the body of Christ within the Episcopal Diocese of Utah. The terms "religious," "charitable," and "educational" shall be interpreted and construed in the broadest possible manner consistent with the use of such terms in Section 501(c)(3) of the Internal Revenue Code of 1986, or any corresponding or similar provisions of the federal revenue laws that may hereafter be enacted, and the valid interpretations thereof by regulation and case law. Without restricting the generality of the foregoing, distributions from the Trust shall be held and administered by the Corporation, in accordance with such Protocols as the Corporation may adopt and
amend from time to time, to support religious, charitable, and educational purposes and objectives, above and beyond the means otherwise available, and as may be necessary and helpful to the diocesan budget, parish expenses, and other expenditures, as the Bishop may deem appropriate and helpful.

Except for trustee compensation and expense reimbursement, and other expenses of the Trust permitted or authorized herein, any distribution from the Trust must be made for the benefit or use of the Corporation or its lawful successor, and there may under no circumstances be any reversion of use or benefit, refund or payment of any part of the assets of the Trust to any other donor, grantor or contributor, or other individual.

5. Distributions.

a. Annual Distributions. Each calendar year, the trustees shall distribute to the Corporation an amount not to exceed the Annual Distribution Amount, as defined in paragraph b of this Article 5, for such year, to be used by the Corporation in furtherance of the purposes set forth in Article 4 above. The distribution shall be made in one or more payments and at such times as the Corporation may request from time to time. All distributions pursuant to this paragraph shall be made first, and to the extent possible, from the net income of the Trust but may also be made from the principal of the Trust in the event that the current income of the Trust is inadequate to make such distributions. In the event that the net income of the Trust for any calendar year
exceeds the Annual Distribution Amount, such excess net income shall be added to, and become part of, the principal of the Trust.

b. **Definition of "Annual Distribution Amount."** As used herein, "Annual Distribution Amount" shall refer to the amount, determined for each calendar year, which is equal to Applicable Percentage, as set forth in the following table, of the Rolling Average Fund Value, as defined in paragraph c of this Article 5:

<table>
<thead>
<tr>
<th>Year</th>
<th>Applicable Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>7.50%</td>
</tr>
<tr>
<td>1996</td>
<td>7.00%</td>
</tr>
<tr>
<td>1997</td>
<td>6.50%</td>
</tr>
<tr>
<td>1998</td>
<td>6.00%</td>
</tr>
<tr>
<td>1999</td>
<td>5.50%</td>
</tr>
<tr>
<td>2000 and all years thereafter</td>
<td>5.00%</td>
</tr>
</tbody>
</table>

c. **Definition of "Rolling Average Fund Value."** As used herein, "Rolling Average Fund Value" shall mean, for any calendar year, the average of the market value of the portfolio of investments held as assets of the Trust as of the last day of each of the forty-eight (48) months immediately preceding July of the immediately preceding calendar year (the "Look-back Period"); provided, however, that the Look-back Period for calendar years before 1996 shall include only the period beginning July, 1992 and the Rolling Average Fund Value
for any such calendar years shall be calculated using only market values for the months included in the Look-back Period; and provided further that, if the Look-back Period includes any month prior to the full funding of this Trust, the market value of the portfolio of investments held by the Corporation for each such month shall be taken into account in determining the Rolling Average Fund Value for such calendar year. For purposes of applying the preceding sentence, full-funding of the Trust shall be deemed to occur when the portfolio of investment assets of the Corporation has been fully and effectively conveyed to the Trust.

d. **Disclaimer of Right to Distribution.** Notwithstanding the provisions of this Article 5, the Corporation may, from time to time, disclaim the right to receive a distribution of all or any portion of the Annual Distribution Amount that has not, as of the date of such disclaimer, been distributed to the Corporation. Any such Disclaimer shall be made by an instrument executed by the Corporation delivered to the trustees. Any portion of the Annual Distribution Amount as to which the Corporation has executed a disclaimer, shall be added to, and become part of, the principal.

6. **No Anticipation, Assignment or Attachment:**

**Restrictions on Invasion of Principal.** Except as may be expressly provided herein to the contrary, no principal or income payable or to become payable under this Trust shall be subject to anticipation
or assignment by the Corporation or to attachment by, or to the interference or control of, any creditor of the Corporation or to be taken or reached by any legal or equitable process in satisfaction of any debt or liability of the Corporation prior to its actual receipt by the Corporation.

7. Trustees' Powers. The trustees shall have the following powers in the administration of the Trust, which powers shall not be limited by having been specifically set forth herein.

a. The trustees shall exercise their discretion to invest the assets of the Trust as reasonably prudent trustees, looking first to the security of the assets, and then assuring that the assets are productive of income and, where possible, growth.

b. The trustees may retain assets as acquired, or they may sell or exchange assets at their discretion. The trustees may make such investments as reasonably prudent persons familiar with and experienced in such matters would make, seeking insurance of the security of capital, rather than speculation as to gain, but assuring income.

c. The trustees shall have all powers and discretion necessary to handle investments of Trust assets and make transfers thereof. Without limiting the generality of the foregoing, the trustees shall have the authority to appoint and contract with such agents, custodians and other professionals as they may deem necessary and appropriate, for the holding, management, investment and transfer of Trust
assets, as well as such investment manager(s) as are required to be appointed under Article 8. Furthermore, it is expressly contemplated that Trust assets may be held in the name of an agent, custodian or investment manager when the trustees have so authorized or contracted.

d. Any security transactions must be made consistent with applicable national canons of The Episcopal Church.

e. The trustees shall have the authority to appoint an investment committee and to engage one or more investment managers and custodians as provided in Article 8 of this Declaration of Trust, and to establish investment guidelines and other matters as the trustees may deem necessary or appropriate, for purposes of fulfilling the trustees’ responsibilities to invest and administer the Trust.

f. The trustees shall have the authority to establish such accounts and sub-accounts as may be necessary or appropriate for the handling and accounting for all or any portion of the principal, as well as the income derived and costs, expenses and disbursements therefrom.

8. Agents, Custodians and Investment Managers. The trustees shall engage one or more individuals, corporations, or other entities as investment manager(s) to assist the trustees in the direction of the investment of all or any designated portion of the assets of the Trust, including accretions and additions thereto, if any. Any individual or firm selected as an agent, custodian, or investment manager shall have demonstrated expertise
in the handling of all aspects of investment management (preferably, but not necessarily, on behalf of eleemosynary and other similar entities and for funds of comparable size as those administered hereunder), including without limitation, familiarity with securities transactions on established markets, as well as the day-to-day administration of investment funds. Agents, custodians and investment managers shall be compensated at such rate as may be negotiated by the trustees. The trustees may authorize the agents, custodians and investment managers to hire or contract with others, on a full- or part-time basis, to assist them in the performance of their respective duties hereunder.

9. **Fiscal Year.** The fiscal year of the Trust shall be established, and may be changed from time to time, by action of the trustees; provided, however, that the selection of a fiscal year that does not coincide with the calendar year shall not change the determination of the Annual Distribution Amount or the time within which it is to be distributed for each calendar year under Article 5 of this Declaration of Trust.

10. **Accountings.** Not later than six (6) months following the end of each fiscal year, the trustees shall prepare or have prepared an annual accounting to the Corporation of income and principal of the Trust for such fiscal year.

11. **Audit of Trust Accounts.** The Corporation shall appoint a nationally recognized firm of certified public accountants (or their future equivalent) to serve as an independent auditor to make an annual audit of the books and records to be kept
by the trustees, and the report of that audit shall be made to the Corporation not later than six (6) months following the end of each fiscal year of the Trust.

12. Vacancy in Office of Diocesan Bishop. In the event that the individual serving as Diocesan Bishop of the Episcopal Diocese of Utah, and derivatively as principal officer of the Corporation, shall die, resign, retire, or otherwise leave such office vacant, or become disabled, and no successor shall have been invested in such office as Diocesan Bishop, all power and authority to act in the administration of the Trust established under this Declaration of Trust shall automatically vest (but only until such time as a successor shall have been ordained, consecrated and enthroned as Diocesan Bishop of the Episcopal Diocese of Utah) in the remaining trustees; provided, however, that the remaining trustees must then act by unanimous consent until such time as a successor shall have been ordained, consecrated and enthroned as Diocesan Bishop of The Episcopal Diocese of Utah. In the event that the Diocesan Bishop should die, resign, retire, or otherwise leave the office of Diocesan Bishop vacant at a time when such Diocesan Bishop was the sole remaining trustee, all power and authority to act in the administration of the Trust established under this Declaration of Trust shall automatically vest (but only until such time as a successor shall have been ordained, consecrated and enthroned as Diocesan Bishop of the Episcopal Diocese of Utah) in West One Trust Company, a corporate trustee having offices in Salt Lake City, Utah; provided, however, that the
trustees, by unanimous action in writing, may select a different corporate trustee, to serve as successor trustee in the place and stead of West One Trust Company according to the terms and under the circumstances specified in this sentence; provided, further however, that if West One Trust Company (or a replacement corporate trustee designated as provided herein), or a corporate successor thereto, no longer provides services as a corporate trustee and there are no other trustees, the person on the diocesan staff who holds the highest remaining ecclesiastical office in The Episcopal Diocese of Utah and the diocesan officer primarily responsible for overseeing the financial affairs of The Episcopal Diocese of Utah shall jointly appoint a successor corporate trustee to serve until a successor Diocesan Bishop shall have been ordained, consecrated and enthroned.

13. **Trust Shall be Perpetual.** This Trust shall be perpetual. In the event that the Corporation shall cease to exist for any reason, by dissolution or otherwise, then distributions under Article 5 shall be made by the trustees to the successor(s) of the Corporation or otherwise in a manner consistent with the applicable plan or decree of dissolution of the Corporation or, if there is no such plan or decree, to The Episcopal Diocese of Utah for the same purposes as contemplated by this Declaration of Trust. There shall be no possibility of reversion of any assets of the fund to any individual donors, grantors, or contributors to the Trust.
14. **Trust is Irrevocable.** This Trust shall be irrevocable. All gifts, bequests, grants and contributions made to the Trust must be made without restriction as to use which in any way might cause reversion to or for the benefit of any donor, grantor or contributor. The trustees reserve the right to reject any proposed gift, bequest, grant or contribution. The terms of the Trust may be amended only as specifically provided herein and to the extent necessary to obtain and maintain a favorable determination from the Internal Revenue Service that the Trust is organized as a tax-exempt organization which is not a private foundation within the meaning and under the provisions of Sections 501(c)(3) and 509(a)(3) of the Internal Revenue Code of 1986, as amended or any corresponding or similar provisions of the federal revenue laws that may hereafter be enacted.

15. **Limitations.**

a. No part of the net earnings or principal of the trust shall inure to the benefit of any trustee or any private individual (except that reasonable compensation may be paid from income for services actually rendered to or for the trust effecting one or more of its purposes) and no trustee or any private individual shall be entitled to share in the distribution of any of the trust assets on termination of the Trust.

b. No substantial part of the activities of the trustees shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the trustees shall
not participate in, or intervene in (including the publication or distribution of partisan literature) any political campaign on behalf of any candidate for public office.

c. The trustees shall not conduct or carry on any activities not permitted to be conducted or carried on by organizations described by Section 501(c)(3), Section 107(c)(2), or Section 509(a)(3) (supporting organization) of the Internal Revenue Code of 1986, as amended, or any corresponding or similar provision of the federal revenue laws that may hereafter be enacted.

d. For any period during which the Trust may be treated as a private foundation within the meaning of Section 509 of the Internal Revenue Code of 1986, as amended, the following additional limitations shall apply:

(1) Any other provisions of this instrument notwithstanding, the trustees shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by section 4942 of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws.

(2) Any other provisions of this instrument notwithstanding, the trustees shall not engage in any act of self-dealing as defined in section 4941(d) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws; nor retain
any excess business holdings as defined in section 4943(c) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws; nor make any taxable expenditures as defined in section 4945(d) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws.

Notwithstanding the inclusion of this paragraph, it is expressly intended that the Trust be construed and interpreted consistent with the intention that the Trust not constitute a private foundation.

IN WITNESS WHEREOF, the Corporation of the Bishop of the Episcopal Diocese of Utah has adopted this Resolution and hereby declares this Trust this 7th day of November, 1994.

THE CORPORATION OF THE BISHOP OF THE DIOCESE OF UTAH, a Utah corporation sole

[Signature]
The Rt. Rev. George E. Bates,
Bishop of Utah and Corporation Sole

Witness:

[Signature]
Kathryn L. Miller

[Signature]
Sharon Dobson
ACCEPTANCE OF TRUST

The undersigned trustees, having been duly appointed as provided in this instrument, do hereby consent and agree to carry out the provisions thereof and will faithfully perform and discharge all of the duties of their offices as trustees of The Perpetual Trust of St. Peter and St. Paul.

DATED this 7th day of November, 1994.

TRUSTEES:

__________________________
The Rt. Rev. George E. Bates, Bishop of Utah

__________________________
Stewart M. Hanson, Jr., Chancellor of The Diocese of Utah