

THE FIRST CONGREGATIONAL CHURCH OF AKRON, OHIO

~~DECLARATION OF TRUST~~

First Congregational Church of Akron
Endowment Fund
Investment and Spending Policies

THE FIRST CONGREGATIONAL CHURCH OF AKRON, OHIO

DECLARATION OF TRUST - TABLE OF CONTENTS

ARTICLE I	NAME	3
ARTICLE II	ENDOWMENT FUND	3
ARTICLE III	PURPOSE	3
ARTICLE IV	USE OF ENDOWMENT FUND	4
ARTICLE V	ENDOWMENT BOARD MEMBERS	5
ARTICLE VI MEMBERS	COMPENSATION AND EXPENSES OF ENDOWMENT BOARD	8
ARTICLE VII 9	DUTIES AND POWERS OF ENDOWMENT BOARD MEMBERS	
ARTICLE VIII	ACCEPTANCE OF DONATIONS TO THE ENDOWMENT FUND	10
ARTICLE IX 12	ACCOUNTING BY ENDOWMENT BOARD MEMBERS	
ARTICLE X 13	LIMITATION OF ENDOWMENT BOARD MEMBERS LIABILITY	
ARTICLE XI 14	TERM OF ENDOWMENT FUND	
ARTICLE XII	TRUST AMENDMENTS <u>TO ENDOWMENT FUND POLICIES</u>	
	14	
ARTICLE XIII	APPOINTMENT OF INVESTMENT MANAGER	15
ARTICLE XIV	INTERESTED PARTIES	16
ARTICLE XV	INDEMNIFICATION	17
ARTICLE XVI	DEFINITIONS	18
ARTICLE XVII	MISCELLANEOUS	18

THE FIRST CONGREGATIONAL CHURCH OF AKRON, OHIO

DECLARATION OF TRUST

FIRST CONGREGATIONAL CHURCH OF AKRON
ENDOWMENT FUND
INVESTMENT AND SPENDING POLICIES

~~This Declaration of Trust is made~~ These Investment and Spending Policies are adopted as of this ___ day of _____, 2002~~24~~ by the First Congregational Church of Akron Ohio, a tax-exempt religious organization organized under the laws of the State of Ohio, (herein referred to as the "Church" ~~and the undersigned individuals herein collectively referred to as Fund Trustees or individually as Fund Trustee~~. ~~This Declaration of Trust is a complete amendment and restatement of a~~ These Policies govern the investment and management of the Fund originally created pursuant to the Trust Agreement first made on dated November 14, 1963, by and between the Grantor Church as Trustee and W. B. Macintosh and Elizabeth C. Macintosh as individuals ~~and which washad been first~~ amended and restated ~~on the 13th of in~~ October 1986 ~~, and again in 2002~~. (collectively, the "Trust Agreement"). These Policies supersede the aforementioned Trust Agreement, as amended, and any and all previous agreements or provisions concerning the management and investment of the Fund.

~~The Trust as established under this Declaration of Trust shall be considered as a "Grantor Trust" as such term is defined in the Internal Revenue Code of 1986.~~

ARTICLE I

NAME

- 1.1 Name of Fund. This Fund shall be known as ~~"The First Congregational Church of Akron, Ohio, Endowment Fund"~~ (the "Fund").

ARTICLE II

ENDOWMENT FUND

- 2.1 Description of Fund Property The ~~trust property~~ "(Trust Fund)" shall consist of all of the property presently held by the ~~Grantor as Fund Trustee of the combined Trust Fund of the First Congregational Church of Akron, Ohio, under the previous Declaration of Trust,~~ future income and donations, as well as all other property as may hereafter be accepted and transferred to the Fund. All such property shall be ~~held in trust, to be~~ administered and disposed of as provided for herein in these Policies.

ARTICLE III

PURPOSE

- 3.1 Purpose of the Fund. The purpose of this Fund is: (1) to provide a receptacle for gifts, grants, bequests and devises to the Church for ~~theirs~~ benefit ~~of Grantor~~ and various programs and activities which are organized, operated and maintained by the Church; (2) to provide uniformity concerning in the management and disposition of such property and income therefrom for the benefit of the Church; and (3) to provide the Church the ability to support certain community redevelopment programs and activities in Akron, Ohio. Accordingly, the Fund, including Principal and Income, shall be used exclusively as set forth in Article IV below, for programs and activities designated by the Grantor through its governing body and shall not otherwise be diverted or utilized for any other purpose. No part of the ~~net earnings~~Income nor ~~p~~PPrincipal of this Fund shall inure or be payable to or for the benefit for any private shareholder or any individual, and no substantial part of the activities of this Fund shall be the carrying on of propaganda, or otherwise attempting, to influence legislation. No part of the ~~activities of~~ this Fund shall be used for or in furtherance of the participation in, or intervention in (including publishing or distributing of statements) any political campaign on behalf of any candidate for public office. ~~T~~His Fund shall not ~~conduct be used for or in furtherance of~~ any activities not permitted by an organization exempt from tax under Section 501 (c) (3) of the Code or by an organization to which contributions ~~to which~~ are deductible under Sections 170 (c) (2), 2055 and 2522 of the Code.

ARTICLE IV

USE OF ~~TRUST~~ ENDOWMENT FUND

- 4.1 Application of Income and Principal. -The Endowment Board, during each fiscal period of the Church shall apply the ~~i~~Income and ~~p~~PPrincipal of the Fund as follows:
- (a) Principal Expenditures. Any expenditures or distributions of the Principal must be approved by the Governing Board and a majority of the Church's members present in accordance with and pursuant to the Bylaws of the Church. Notwithstanding anything herein to the contrary, the ~~p~~PPrincipal of the ~~Trust~~Endowment Fund shall not be used for the payment of any normal operating expense of the Church. Normal operating expenses are defined as the expenses which are reflected on the books and records of the Church and which are considered or classified as operational expenditures under the method of accounting used by the Church. Operational expenses do not include any expenditures which under the Church's method of accounting would require such expenditure to be capitalized regardless of whether such is subject to a reserve for depreciation or amortization.
 - (b) The Fund Trustees shall first direct Annual Operating Draw. Annually, the Stewardship & Finance Board may authorize distributions (the "Annual Operating

~~Draw") from the net income of the Trust Endowment Fund for such current fiscal period to the for operating expenses of the Church for such current fiscal period, including but not limited to the expenses with respect to for duly authorized programs and activities as may be operated and maintained by the Church and which have been approved by the Governing Board, of the Grantor (hereinafter "Governing Board") as being proper and necessary expenditures. The Annual Operating Draw may not exceed 8% of the Average Fund Balance. Once the Annual Operating Draw is established by the Stewardship & Finance Board, the Endowment Board is authorized to make distributions in the amounts and intervals it determines appropriate. The Annual Operating Draw must not infringe on the Fund Principal, as designated in §4.1(a).~~

(c) ~~Additional Income Distributions. Income~~Any net income which remains after the application of Section (b) of this Article IV, ~~shall may next~~ be used and ~~applied to distributed for~~ capital expenses of the Church, including but not limited to, permanent improvements to the facilities, acquisition of additional facilities including real property, buildings and equipment, and other similar capital expenditures. ~~Income may also be used and applied to programs, activities, and expenditures of the Church, including operating expenses, and which have been approved by the Governing Board as being proper and necessary expenditures.~~Any distributions of Income under this subsection (c) must be approved by the Governing Board and a majority of the Church's members present at a regular or special congregational meeting, at which a quorum is present in accordance with and pursuant to the Bylaws of the Church.

~~(d) Any remaining income after the application of paragraphs (b) and (c) of this Article IV shall be carried forward to the next fiscal year where such excess may be applied expenditures under Section (b) for such fiscal period if there is a deficit for such period, (defined as the excess of expenditures over net income for the fiscal period). In the event that such excess from a previous year is not used in the immediately next succeeding fiscal year, then such excess amount shall be added to principal of the Trust Fund and shall be considered principal as if such amount was originally part of the principal of the Trust Fund.~~

(d) Loans and Encumbrances. The Church's members, at a duly constituted congregational meeting at which a quorum is present in accordance with the Church's Bylaws, may authorize the encumbrance, loan, mortgage, or pledge of all or part of the Income or Principal of the Endowment Fund. The Endowment Board will take the appropriate action to carry out and complete any such actions authorized by the Church's members.

~~(e) Fund Trustees may make a distribution of principal for such programs, activities, and expenditures of the Grantor which have been approved by the Governing Board of the Church and a majority of members present at a duly constituted congregational meeting, at which the number of members present is at least Two Hundred (200) and such number of members shall constitute a quorum for purposes of this Section. For purposes of this Section a distribution of principal includes any encumbrance, transfer, substitution of property, hypothecation, or alienation of all or part of the principal of the Trust Fund.~~

ARTICLE V

ENDOWMENT BOARD MEMBERS

5.1 Number and Qualifications of Endowment Board Members. The Endowment Board shall consist of eight (8) members, exclusive of any nonvoting ex officio members, comprised of the following:-

- (a) Two (2) ~~of the eight Fund Trustees shall be~~ members of the Stewardship ~~and~~ Finance Board, ~~which. One Trustee shall will~~ be the Chairman~~person~~ of the Stewardship ~~and~~ Finance Board ~~and one other~~. ~~The other Trustee shall be a~~ member of the Stewardship ~~and~~ Finance Board ~~and shall be~~ appointed by said Board pursuant to policies, procedures and rules established by said Board.
- (b) Two (2) ~~Fund Trustees who shall be~~ members of the Governing Board of the Church being the Treasurer and the Vice-Moderator.
- (c) Four (4) ~~Fund Trustees shall be~~ individuals ~~appointed~~ elected by the ~~Stewardship and Finance Governing~~ Board of the Church, from the Congregation at large. Such ~~appointment election~~ process, including requesting/accepting nominations and approval/appointment of nominees shall be made pursuant to procedures established by the ~~Stewardship and Finance Board.~~ Bylaws of the Church.
- (d) The Governing Board of the Church may designate other persons to act as ex officio Endowment Board Members from time to time. Such ex officio Endowment Board Members shall have all the rights and privileges of regular Endowment Board Members, except the right to vote. The Senior Minister of the Church shall serve as an ex officio Endowment Board Member, as permitted by the Bylaws of the Church.

5.2 Terms of office.

- (a) The following individuals shall serve as Endowment Board Members for so long as they hold their respective positions: (1) the Endowment Board Members designated in §5.1(a) of this Article V being the Chairman~~person~~ of the Stewardship ~~and~~ Finance Board of the Church and one other member of said Board; (2) the Treasurer; and, (3) the Vice-Moderator of the Church.
- (b) The remaining four Endowment Board Members designated in § 5.1(c) of this Article V shall hold office for four (4) year, staggered terms, one of which shall expire every year.
- (c) Any Endowment Board Member may serve successive terms as an Endowment Board Member, provided that no person shall serve as an Endowment Board Member for more than a maximum of eight (8) consecutive years.

5.3 Removal, Resignation and Vacancy.

- (a) Any Endowment Board Member shall be removed under the following circumstances:

- (1) With respect to Endowment Board Members who are members of the Governing Board or Stewardship ~~and~~ Finance Board of the Church, removal from such Board shall operate to remove such person as an Endowment Board Member contemporaneously with their removal from such Board of the Church;
 - (2) The conviction of any crime involving theft, moral turpitude, or any felony;
 - (3) Clear and convincing evidence of drug and/or alcohol abuse;
 - (4) The commission of any act which would offend public sensibilities or cause the impairment of the reputation or status of the Church, its officers and employees or the congregation in the general community.
 - (5) Negligence in the performance of duties as an Endowment Board Member;
 - (6) Failure to actively perform duties as an Endowment Board Member. A failure to perform shall be defined by the ~~Endowment Board Members~~ in a writing which may be amended from time to time by the Endowment Board Members;
 - (7) By a majority vote of the Endowment Board Members (excepting the person subject to removal who shall be counted for purposes of quorum); or,
 - (8) The death or total and permanent disability of an Endowment Board Member. For purposes of this §5.3(a)(8) total and permanent disability is any mental or physical condition which lasts or is expected for more than six (6) months and is of such nature to prevent such person from performing their duties as an Endowment Board Member, (such inability to perform would constitute a failure to perform under §5.3 (a)(6)).
- (b) An Endowment Board Member may resign at any time. Such resignation shall be in writing and delivered to the Endowment Board, (delivery may be made by US regular mail or any electronic means) at least fifteen (15) days prior to the effective date of such resignation.
- (c) Vacancies, regardless of the reasons therefore, shall be filled as follows:
- (1) In the event that the vacancy is any of: the Chair~~man~~person of the Stewardship ~~and~~ Finance Board, the Treasurer, or the Vice Moderator of the Church; and, such person continues in such position, then the Governing Board, (for the Treasurer and Vice Moderator) and/or the Stewardship ~~and~~ Finance Board, (for Chair~~man~~person of same), shall appoint a new person who is a member of such Board to fill such vacancy. In the event such person does not continue to hold their position then their successor to their position shall be made an Endowment Board Member by virtue of holding such position.
 - (2) A vacancy with respect to all other Endowment Board Members shall be filled by the ~~Stewardship and Finance~~Governing Board of the Church

according to §5.1 of this Article V and policies and procedures established by said Board. Any Endowment Board Member who is appointed to fill a vacancy shall serve for the remaining term of the Endowment Board Member who was replaced or in the case of any Endowment Board Member identified in Section 5.2(a) until their respective term of office expires and a successor is elected to serve in the capacity as listed in such Section in which case such person shall become a Endowment Board Member by virtue of Section 5.1 of ~~this Trust~~ these Policies.

5.4 Quorum. Five of the Endowment Board Members who are entitled to vote shall constitute a quorum for the conduct ~~of Fund for~~ business. Each Endowment Board Member shall have one vote. Unless otherwise stated in ~~this Trust~~ these Policies, the affirmative vote of a majority of the Endowment Board Members present at a duly organized meeting at which a quorum is present at least five (5) Fund Trustees shall be a majority and shall be required for any action of the Endowment Board.

5.5 Meetings. The Endowment Board shall hold regular meetings at least once each calendar quarter and special meetings, from time to time during each year, at such times and places as may be designated by the Chair~~man~~person of the Endowment Board ~~of Fund Trustees~~. Notice of meetings of the ~~Endowment~~ Board shall be given to each Endowment Board Member at least ten days prior to the meeting. The Endowment Board Members are hereby authorized to conduct such business and hold such meetings as they deem necessary by telephone or other electronic medium including email. Such electronic meetings shall have the same force and effect as a regular meeting of the Endowment Board. The Endowment Board Members may conduct any and all business of the Fund by electronic meeting. Unless the Secretary is present to make a record of the meeting, the Endowment Board Member who originates such a meeting shall be deemed the Secretary of the meeting for the purpose of recording the proceedings and transmitting such record to the Secretary of the Endowment Board for inclusion in the records of the Fund.

5.6 Action Without Meeting. Any action which may be taken, or resolution which may be acted upon at a meeting of the ~~Endowment~~ Board may be taken without a meeting if a consent in writing setting forth the actions so taken is signed by five of the Endowment Board Members who are entitled to vote.

5.7 Officers of the Board.

- (a) The Endowment Board shall elect officers to serve to conduct the business of the Endowment Board and manage all meetings and business of the Fund ~~Trustees~~. Said officers shall be a Chair~~man~~person and a Secretary. The Chair~~man~~person or Secretary may designate any other Endowment Board Member to act in their place and stead for the purpose of conducting a specific meeting or taking a specific action. The designation need not be in writing, unless such action requires the signature of an Officer.
- (b) The duties of the Chair~~man~~person or designee shall be to preside over all business meetings of the ~~membership Endowment Board~~ and to perform all other duties required of the Chair~~man~~person under ~~this Trust Agreement~~ these Policies or by resolution of the Endowment Board.

- (c) The Secretary shall serve as the Secretary of each meeting of the Endowment Board, and shall record the meetings and shall issue any and all required notices to Endowment Board Members.
- (d) The Chair~~man~~person and Secretary shall be elected from among the Endowment Board Members by a majority vote of the Endowment Board. Each shall serve for a one-year term or until his or her successor has been duly elected. The election shall be held at the first regular meeting of the Endowment Board in each fiscal year. The Chair~~man~~person and Secretary may be re-elected to successive one-year terms. Either officer may be removed by the Endowment Board, with or without cause, at a special meeting called for that purpose. If a vacancy occurs in either office, the remaining Endowment Board Members shall elect a successor to fill the unexpired portion of the term.

5.8 Successor Endowment Board Members Each successor ~~Fund Trustee shall succeed to the title to the Trust Fund vested in their predecessor upon receipt of the Trust Fund. Any resigning or removed Trustee shall execute all documents and do all acts necessary to vest such title or record in any successor Fund Trustee.~~ Endowment Board Member shall have and enjoy all of the powers, both discretionary and ~~managerial, ministerial,~~ and shall be charged with all of the duties and responsibilities herein conferred upon their predecessor. No successor Endowment Board Member shall be liable for any act or failure to act of any predecessor Endowment Board Member, and may accept the account rendered and the property delivered to them by the predecessor Endowment Board Member without, in so doing, incurring any liability or responsibility with respect to the acts or defaults, if any, of the predecessor Endowment Board Member.

ARTICLE VI

COMPENSATION AND EXPENSES OF ENDOWMENT BOARD MEMBERS

6.1 Compensation The Endowment Board Members shall serve without compensation.

6.2 Expenses The Endowment Board Members shall be entitled to reimbursement for reasonable expenses incurred by the Endowment Board Members in the execution of their duties hereunder, including but not limited to expenses for education, travel, meals, lodging, airfare, car rental, and similar expenses. Said expenses shall be paid by the Fund. The Endowment Board Members shall make or adopt procedures which shall be required prior to reimbursement for the documentation of such expenses and the approval of such expenses by the Endowment Board Members. Only expenses which are properly documented and approved will be paid by the Fund. Expenses properly due and payable shall constitute a lien against the ~~Trust~~ Fund assets for such expenses.

ARTICLE VII

DUTIES AND POWERS OF ENDOWMENT BOARD MEMBERS

- 7.1 General Powers The Endowment Board shall receive, hold, invest and reinvest contributions to the ~~Trust~~ Fund and shall make disbursements from the ~~Trust~~ Fund on the Church's behalf pursuant to the terms of ~~this Agreement~~ these Policies.
- 7.2 Consent to Receipt of Donations of Property –Subject to the consent of the –Endowment Board Members, the Church and other persons shall have the right to make contributions to the ~~Trust~~ Fund in property other than money by assignment, transfer and delivery of such property to the ~~Trust~~ Fund
- 7.3 Written Evidence of Gift. Any amount contributed to the ~~Trust~~ Fund shall be accompanied by a written direction to the Endowment Board Members specifying any conditions, limitations, or requirements for use.
- 7.4 The Endowment Board shall make payments and distributions from the ~~Trust~~ Fund only, in such manner, at such time, and in such amounts as may be ~~specified~~ approved –in written ~~directions~~ meeting minutes pursuant to Article IV, and the– Endowment Board Members shall be fully protected in ~~making~~ authorizing payments under such directions.
- 7.5 Specific Powers. –Subject to the limitations expressly provided in ~~this Trust Agreement~~ these Policies, the Endowment Board will hold and make all investments with the reasonable care, skill, prudence and diligence which a prudent ~~man~~ person, acting in a like capacity, would use under the conditions at the time, consistent with R.C. Sections 1715.51 to 1715.59 (Uniform Prudent Management of Institutional Funds Act or "UPMITA"). Subject to the ~~same~~ limitations set forth in these Policies, the Endowment Board shall have the following powers and ~~rights~~ authority, in addition to those vested in ~~them~~ it by law:
- (a) To invest and reinvest the amounts then held in the ~~Trust~~ Fund and to keep such amounts invested, without distinction between the ~~p~~ Principal and ~~i~~ Income, in such stocks, bonds, shares of open-end investment companies as defined in the Investment Company Act of 1940, mortgages, debentures, notes, certificates of deposit, commercial paper or obligations of corporations whether or not listed on any exchange, annuities, or other securities other evidences of indebtedness or ownership, including limited partnership interests, or in other property, real or personal, as the Endowment Board Members deem proper.
 - (b) To invest or reinvest all or part of the ~~Trust~~ Fund's assets in deposits which bear a reasonable interest rate in a bank or similar financial institution supervised by the United States, or a state, even though such bank, or such financial institution is a party in interest. –Subject to the rules and conditions herein contained, the Endowment Board may keep such portion of the ~~Trust~~ Fund in cash or balances as the Endowment Board may, from time to time, deem to be in the best interest of the ~~Trust~~ Fund;
 - (c) To sell, exchange, convey, transfer or otherwise dispose of any property held by the ~~Trust~~ ~~f~~ Fund by contract or at public auction, and no person dealing with the Endowment Board shall be under a duty or obligation to inquire as to application of the purchase money or to inquire into the validity, expediency or propriety of any such sale or other dispositions;
 - (d) To make advances of money from its own funds for the preservation or improvement of the ~~Trust~~ Fund to impose a lien upon the ~~Trust~~ Fund for repayment of any such

advance with interest; to borrow money from any and all persons, upon such terms and conditions as it shall determine, for the preservation or improvement of the ~~Trust~~ Fund and to issue its promissory note ~~as Trustee~~ hereunder for repayment of such loan, and to secure the repayment of said loan by mortgaging or pledging all or any part of the ~~Trust~~ Fund;

- (e) To vote any stocks, bonds, or other securities, to give general or special proxies or powers of attorney with or without power of substitution; to exercise any conversion privileges, subscription rights or other options and to make any payments incidental thereto; to consent to or to oppose or otherwise participate in corporate reorganizations or other changes affecting corporate securities and to delegate discretionary powers and to pay any assessments or charges in connection therewith; and generally to exercise any of the powers of an owner with respect to the stocks, bonds, securities or other property held in the ~~Trust~~ Fund;
- (f) To make, execute, acknowledge and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted;
- (g) To employ suitable agents and counsel, who may, but need not, be counsel for the Church and to be fully protected in action upon the advice of such counsel;
- (h) To do all acts, whether or not expressly authorized, which may be deemed necessary or proper for the protection of the property ~~held hereunder in the Fund~~ or for the carrying out of any duty under ~~this Agreement these Policies~~;
- (i) To cause any securities or other property held as part of the ~~Trust~~ Fund to be registered in the name of the ~~Trust~~ Fund or in the name of its nominee, to hold any investment in bearer form, provided that the books and records of the Fund ~~Trustees~~ shall at all times show that all such investments are part of the ~~Trust~~ Fund;
- (j) ~~The Fund Trustees are authorized to~~ invest a portion or all of the ~~Trust~~ Fund in Units of any common or group trust created solely for the purpose of providing a satisfactory diversification of investments ~~for participating trusts~~. The commingling of monies and assets of this ~~Trust~~ Fund with monies and assets of other ~~participating trusts in such common or group trusts~~ funds is specifically authorized;
- (k) The Fund Endowment Board shall not cause the Fund to engage in a transaction, if they know, or should know, that ~~such transaction~~ would cause a tax to be imposed upon the ~~Grantor~~ Church, the ~~Trust~~ Fund, or the -Endowment Board Members under Chapter 42 of the Internal Revenue Code of 1986, or would cause the tax-exempt status of the Church to be revoked, including, but not limited to:
 - (i) sale, exchange, or leasing, of any property between the Fund and a party in interest;
 - (ii) lending of money or other extension of credit between the Fund and a party in interest;
 - (iii) furnishing of goods, services, or facilities between the Fund and a party in interest, except that nothing herein shall be construed to prevent an

Endowment Board Member from making reasonable arrangements with a party in interest for office space, or legal, accounting or other services necessary for the establishment or operation of the Fund for reasonable compensation; or

- (iv) transfer to, or use by or for the benefit of, a party in interest of any assets of the Fund.

~~(v) or would cause a tax to be imposed upon the Grantor, the Trust Fund, or the Fund Trustees under Chapter 42 of the Internal Revenue Code of 1986; or would cause the tax exempt status of the Grantor to be revoked. Such transactions may include but are not limited to the following transactions:~~

- (l) To accept and retain for such time as may deem advisable any securities or other property received or acquired by the Fund Trustees hereunder, whether or not such securities or other property would normally be purchased as investments as hereunder.
- (m) To settle claims for or against the Trust Fund on such terms as the Endowment Board considers acceptable.
- (n) To hold undivided fractional interest in property of any kind without separating such interest except for bookkeeping purposes.
- (o) To establish appropriate reserves for expenses depletion and depreciation as the Endowment Board considers proper.
- (p) To open and maintain one or more brokerage accounts with securities brokers/dealers.
- (q) To purchase fire, title, liability, casualty or other insurances on any property.
- (r) To do all such acts, take all such proceedings and exercise all rights and privileges, although not specifically mentioned herein, as such the Endowment Board may deem necessary to properly build, invest, preserve and administer the funds and accounts, and to carry out the purpose of the Fund.
- (s) To delegate the management and investment of the Fund to an external agent as set forth in R.C. 1715.54.

ARTICLE VIII

ACCEPTACE OF DONATIONS TO THE TRUST FUND

- 8.1** Power to Accept Donations. The Endowment Board Members may accept on behalf of the Fund any gift, grant, bequest, or devise, ~~and the power to accept or reject gifts, grants, bequests and devises rests solely with designated to become part of the Fund Trustees.~~ Gifts, grants, bequests or desires shall be declined or rejected when there is any question

as to their compatibility with the ideals, objectives and programs of the Church, or if in the Endowment Board's sole discretion their conditions or limitations violate the provisions of Section 8.2. Unless the terms of the gifts expressly provide otherwise, all gifts, grants, bequests, and devises shall be deemed to be irrevocable and without restriction, condition or limitation.

8.2 Restricted and Conditional Donations. Any person may give, bequeath or devise any property to this Fund subject to such conditions and limitations as to the use of the ~~p~~Principal or ~~i~~Income as such person may designate; provided that the designated purpose and use of such property are consistent with the general purposes of this Fund. Further, no gift, bequest or devise shall be received and accepted if it is conditional or limited in such a manner as to require the disposition of the ~~i~~Income or ~~p~~Principal in any manner which, in the opinion of the Endowment Board, jeopardizes the federal income tax exemption of the Church, would cause a tax to be imposed upon the Church, the ~~T~~rust Fund, or the Endowment Board Members under Chapter 42 of the Internal Revenue Code of 1986, or would be in direct or indirect violation of any policy, ideal, or purpose of the Church.

8.3 Separate ~~T~~rust Accounts. All property accepted by the Endowment Board Members for the ~~T~~rustFund shall become a part of the ~~T~~rust Fund, subject to any limitations or conditions of the gift, grant, bequest or devise, and may be commingled with other assets of the ~~T~~rust Fund. However, such property may be placed in any number of separate and distinct funds or accounts whenever the conditions and limitations of the gift, grant, bequest, or devise require a separate fund or account, or whenever the Endowment Board, in ~~the~~irs judgment, determine that such property should be placed in a separate and distinct fund or account.

ARTICLE IX

ACCOUNTING BY ENDOWMENT BOARD

9.1 Maintenance of Accounts and Records. ~~The Fund TrusteesChurch~~ shall maintain accurate and detailed records and accounts of all investments, receipts and disbursements, and other transactions concerning the ~~T~~rust Fund's accounts, and all accounts, books and records relating thereto shall be open at all reasonable time to inspection and audit by the ~~Grantor~~Endowment Board.

9.2 Reports ~~T~~o GrantorEndowment Board. ~~The TrusteeChurch~~ shall submit such valuations, reports or other information as the ~~Grantor~~Endowment Board may direct.

9.3 Valuation of Assets Valuation of assets shall be at fair market value. The interest of this ~~T~~rustFund in any common, collective or commingled trust fund maintained by the ~~TrusteesChurch~~ shall be valued on the basis of the valuation of the assets of such common, collective or commingled trust fund concurrently with, or most recently preceding the valuation or adjustment date. The ~~Fund TrusteesChurch~~ shall not be liable for any determination of values, if made in good faith. The ~~TrusteesChurch~~ shall value the assets of the ~~T~~rust Fund to be valued at least annually and upon the request of the ~~Grantor~~Endowment Board more frequently, but not more often than monthly.

9.4 Written Report As soon as administratively feasible following the close of each fiscal year, the ~~Fund TrusteesChurch~~ shall ~~file with~~ provide the ~~Grantor~~Endowment Board, a written account setting forth a description of all securities and other property purchased and sold, all receipts, disbursements and other transactions effected during such annual period. ~~The Fund Trustees shall have the right to have all accounts settled by judicial proceeding if they so elect, in which event only the Fund Trustees and the Grantor shall be necessary parties.~~

ARTICLE X

LIMITATION OF ENDOWMENT BOARD MEMBERS' LIABILITY

10.1 The Endowment Board Members shall be accountable only for funds ~~actually~~ received as Endowment Board Members hereunder.

10.2 Beyond the duty to faithfully perform instructions received under the terms of ~~the Trust or the terms these Policies~~ and any restrictions of a specific gift, the Endowment Board shall have no duty or liability to inquire whether or not any disbursement or expenditure is proper, or whether the manner of making payment is proper.

10.3 Whenever the Endowment Board Members must or may act upon the direction or approval of the Church, or the Governing Board, the Endowment Board Members may act upon a written communication signed by Church, or the Governing Board, or any agent or officer appointed in writing to act on behalf of the Church, or the Governing Board whose authority shall be deemed to continue until revoked in writing. The Endowment Board Members shall incur no liability for failure to act without such written communication. The Endowment Board Members shall be fully protected in relying upon any such written instruction.

10.4 Whenever the officers of the Church, or members of the Governing Board are appointed or changed, the Endowment Board shall be advised in writing of the name of the new officer or member as the case may be and the ~~Endowment Board~~ may assume that such person continues in office until advised to the contrary.

10.5 Any written direction or communication from the Church, or the Governing Board shall constitute a certification that the content of the direction or communication is proper and correct and is one which is authorized and the Endowment Board may rely upon it and need make no further investigation or inquiry. No direction or communication shall be binding upon the Fund or the Endowment Board Members until it is received by the Endowment Board.

ARTICLE XI

TERM OF THE TRUSTFUND

11.1 This Fund shall continue forever, unless it is terminated by the duly authorized action ~~in accordance with the By-Laws of the Grantor, of~~ the Governing Board and the members of the ~~CongregationChurch~~ decides to terminate it in accordance with the By-~~L~~aws of the Church. Upon such termination, the remaining assets shall be distributed to or for the benefit of the Church or to such persons and for such purposes as the Governing Board and the members of the ~~CongregationChurch~~ shall direct, provided that such assets must be paid over to one or more organizations organized and operated exclusively for

religious, charitable, scientific, literary or educational purposes, and which are tax exempt under Section 501 (c) (3) of the Code. If the Church is not then in existence, the Endowment Board shall distribute the remaining assets to one or more organizations which the Endowment Board in their sole discretion decide best carries forward the religious purposes of this Fund, provided that, the assets must be paid over to one or more organizations organized and operated exclusively for religious, charitable, scientific, literary or educational purposes, and which are tax exempt under Section 501 (c) (3) of the Code.

- 11.2 ~~From and after~~ Upon the ~~date of~~ termination of the Fund and until final distribution of all property subject hereto, the Endowment Board shall continue to have all powers provided under ~~this Trust Agreement~~ these Policies which are necessary and expedient for the orderly liquidation and distribution of such property.
- 11.3 The Endowment Board may, in ~~their~~ its discretion, delay distribution of assets until such time as they receive a favorable Determination Letter from the Commissioner of Internal Revenue or his delegate to the effect that the proposed distribution is not a prohibited transaction and would not jeopardize the tax-exempt status of the Church.

ARTICLE XII

TRUST AMENDMENTS TO ENDOWMENT FUND POLICIES

- 12.1 ~~This Trust agreement~~ These Policies may be amended from time to time ~~as appropriate for the more convenient and efficient administration of the Trust or to carry out more effectively the purposes of the Trust. However, any such amendment must be approved by the~~ duly authorized action of the Governing Board and members of the ~~Congregation~~ Church. Such ~~approval shall~~ amendments must be approved in accordance with and pursuant to the By-Laws of the ~~Grantor with respect to obtaining the approval of each Church~~. No amendment shall be made which authorizes the Endowment Board Members to manage or invest ~~to conduct the affairs of~~ this Fund in any manner or for any purpose contrary to the provisions of Section 501 (c) (3) of the Code.
- 12.2 No amendment shall substantially change the duties, responsibilities or liabilities of the Endowment Board Members without their written consent. ~~Any~~ amendment which is necessary to bring this Fund into conformity with government applicable laws or regulations may be made retroactively, but this shall not be construed as a rule of limitation.
- 12.3 Any amendment herein provided for shall be by written instrument executed by the Church and delivered to the Endowment Board; provided, however, that any amendment which substantially changes the duties, responsibilities or liabilities of the Endowment Board Members must bear the Endowment Board Member's written consent endorsed thereon.
- 12.4 Any contribution to this Fund which is accepted by the Endowment Board and which is subject to conditions, limitations or specifications concerning the use, investment or purpose of such contribution shall be deemed an amendment to the provisions of this Fund with respect to and to the extent of such contribution. Such amendment setting forth all terms, conditions and limitations of such contribution, shall be placed in the written records of the

Endowment Board. Such amendment shall not affect any other property or income therefrom held ~~by~~in -the Fund.

ARTICLE XIII

APPOINTMENT OF AN INVESTMENT MANAGER

- 13.1 The Endowment Board shall have the authority to appoint an Investment Manager from time to time with respect to any portion of the property of the ~~Trust~~ Fund. Said assets herein shall be accounted for as a separate account under the ~~Trust~~ Fund referred to as a Subsidiary Fund, and there shall be a separate Subsidiary Fund for each group of assets invested with each Investment Manager. Such appointment shall be evidenced by a written instrument signed and authorized by the Endowment Board and the Investment Manager. Such written instrument shall acknowledge the appointment of the Investment Manager and identify the portion of the property of the ~~Trust~~ Fund allocated over which the Investment Manager shall have authority and shall contain an acceptance by the Investment Manager of its appointment, an acknowledgment by the Investment Manager of its status as a fiduciary with respect to the ~~Trust~~ Fund property. It shall also state whether the Investment Manager, the ~~Trustee~~Fund, or any other party is to have custody of the property of the Subsidiary Fund. The appointment of any Investment Manager may be terminated at any time by the Endowment Board, such termination to be evidenced by a written instrument signed by the Endowment Board and delivered to the Investment Manager. The Endowment Board may appoint separate Investment Managers for separate Subsidiary Funds.
- 13.2 So long as the appointment of an Investment Manager is in effect, such Investment Manager shall have, with respect to the subsidiary fund for which it has been appointed, the exclusive authority and responsibility to invest, the assets of such Subsidiary Fund, in the same categories of investments as the Endowment Board ~~are~~is authorized to invest under the terms of ~~this Trust~~these Policies.
- ~~13.3 So long as an appointment of an Investment Manager is in effect, the Fund Trustees shall have no authority or responsibility to exercise the powers otherwise conferred upon them under Article II with respect to the Subsidiary Fund for which such Investment Manager has been appointed, except in accordance with written instructions received by the Fund Trustees from such Investment Manager.~~
- 13.43 The Endowment Board shall be relieved from any and all liability resulting from: (a) any action taken, suffered or omitted by the Investment Manager with respect to such Subsidiary Fund; (b) following the written instructions of the Investment Manager with respect to such Subsidiary Fund; and (c) the retention in such Subsidiary Fund of property purchased by, or upon the written instructions of, the Investment Manager, the liability of the Endowment Board Members in such cases being limited to liability for any failure on their part to comply fully with such instructions.

ARTICLE XIV

INTERESTED PARTIES

14.1 An Endowment Board Member or a member, director, or officer of the Church shall not be disqualified by such position from dealing or contracting with the Fund as a vendor, purchaser, employee, agent or otherwise. No act of the Fund shall be void or voidable or in any way affected by reason of the fact that any Endowment Board Member or member, director, or officer of the Church is also a member of a firm, an officer, a director, a shareholder, or a trustee of a corporation, or a trustee or beneficiary of a trust, or otherwise connected with any other enterprise, in any way interested in the act. No Endowment Board Member or member of the Church shall be accountable or responsible to the Fund or the Church for or in respect to any act of the Fund, or for any gains or profits directly or indirectly realized by reason of the fact that the Endowment Board Member or member, director, or officer of the Church or any firm of which he or she is a member, or any corporation of which he or she is an officer, shareholder, director, or trustee, or any trust of which he or she is connected, is interested in the act. The fact that the Endowment Board Member or member, director, or officer of the Church, or that the firm, corporation, trust or other entity is interested ~~shall must~~ be disclosed ~~or shall have been known~~ to the Endowment Board Members present at any meeting at which action on the transaction is taken. Any interested Endowment Board Member may be counted in determining the existence of a quorum at any meeting that authorizes or takes actions in respect to any such transaction; ~~and any but the~~ interested Endowment Board Member must abstain from the may vote to authorize, ratify, or approve the transaction. ~~Any Fund Trustee may take any action within the scope of his or her authority, respecting any act, with like force and effect as if he or she, or any other entity with which he or she is connected, were not interested in the act.~~ Without limiting or qualifying the foregoing, if any judicial or other inquiry, suit, cause, or proceeding, the question of whether an Endowment Board Member or member, director, or officer of the Church has acted in good faith is material, and notwithstanding any statute or rule of law or of equity to the contrary (if there are any) his or her good faith be presumed in the absence of clear and convincing evidence and proof to the contrary.

14.2 The Church shall have the continuing right to substitute its property including but not limited to real, ~~or personal,~~ or intangible property ~~whether such personal property is tangible or intangible, to include any or~~ promissory note ~~of Grantor made by the Church,~~ in favor of the Trustees Fund. The right to substitute property shall be considered a transaction in ~~p~~Principal and shall be subject to the approval and voting requirements of ~~Article IV~~ Section 4.1(~~ea~~) of these Policies.

ARTICLE XV

INDEMNIFICATION

Right to Indemnification

15.1 The Church shall indemnify each of the Endowment Board Members, whether or not then in office, and his or her heirs and legal representatives, against all expenses,

judgments, decrees, fines, penalties, or other amounts paid in satisfaction, in settlement of, or in connection with the proceeding, civil or criminal, to which he or she is or may be made a party by reason of having been an Endowment Board Member. Without limitation, the term "expenses" shall include all ~~counsel~~reasonable attorney's fees, expert witness fees, court costs, and any other costs of a similar nature. The Church shall ~~not~~, however, indemnify any Endowment Board Member ~~until a majority of the~~ Endowment Board ~~has~~have determined by a majority vote at a meeting, or by a written instrument signed by ~~a majority of all of~~ the Endowment Board Members, that the Endowment Board Member seeking indemnification:

- (a) Was not grossly negligent in his or her duty to the Fund or guilty of intentional misconduct in the performance of duties to the Fund;
- (b) Acted in good faith in what he or she reasonably believed to be in the best interests of the Fund; and,
- (c) In any matter subject to criminal action, suit or proceeding, had no reasonable cause to believe that the conduct was unlawful.

In making this determination, all of the Endowment Board Members, including any Endowment Board Member who is a party to or threatened with the action, suit or proceeding shall be entitled to vote at meetings or sign the written instrument and by those means be counted for all purposes in determining a majority of the Endowment Board.

15.2 Any Endowment Board Member who is entitled to indemnification from the Church may make a written demand on the Church by serving the written demand on the ~~Chairman~~person or the Secretary of the Governing Board, (unless the ~~Chairman~~person and the Secretary are both making the demand, in which case service may be made on any other member of the Governing Board). If the Governing Board does not, within fifteen (15) days after service of the written demand, determine that the Endowment Board Member is entitled to indemnification, the Endowment Board Member, may, within sixty (60) days following the date of service of the demand, apply to a court of general jurisdiction in the county where the Church maintains its principal office, to consider the matters referred to in Subparagraphs (a), (b), and (c) of Paragraph 15.1. If the court determines that the conduct of the Endowment Board Member was such as to meet the requirements in the subparagraphs, the court shall order the Church to indemnify the Endowment Board Member or employee to the same extent as if the Endowment Board had originally made the determination.

15.3 The right of indemnification shall not be deemed to be an exclusive remedy with respect to any Endowment Board Member, who is entitled to indemnification from the Church and such Endowment Board Member may continue to exercise any rights and duties as Endowment Board Member and may further pursue all legal remedies as may be available to such Endowment Board Member with respect to indemnification.

ARTICLE XVI

Definitions

16.1

The following definitions shall apply with respect to terms contained in the ~~Trust Agreement~~ these Policies:

- (a) "~~Trust Agreement~~Policies" shall mean these Investment and Spending Policies adopted by the First Congregational Church of Akron, Ohio, Declaration of Trust which establishes the First Congregational Church of Akron Ohio Endowment for purposes of managing and investing the Fund, as amended from time to time.
- (b) "Church" shall mean the First Congregational Church of Akron, Ohio.
- (c) "Governing Board" shall mean the Governing Board or its successor of the First Congregational Church of Akron, Ohio.
- (d) "Code" or "Internal Revenue Code" shall mean the Internal Revenue Code of 1986 as such may be amended from time to time.
- (e) "Principal" shall mean all property, money, and other donations accepted by the Church under the previous Trust Agreement and designated to the Fund; and (2) any property, money, and other donations accepted by the Endowment Board in accordance with Section 8.1 of these Policies, including gifts, grants, or bequests designated to the Fund from whatever source; provided, however, Principal excludes all Income.
- (ef) "Income" shall mean all property or money generated by the Principal that have been received or earned including sources of gross receipts to the Trust Fund including dividends, interest, rents, appreciated securities, and royalties, and proceeds from the sales and exchanges of Capital Assets or investments of the Trust Fund. Income shall not include gifts, grants or bequests made designated to the Trust Fund from whatever source. Net Income shall mean income from all sources net of expenses which are directly related to the investment of assets in the Trust Fund, including, but not limited to, broker fees, administrative fees and costs and other similar expenses. Realized gains and losses from the sale or exchange of Trust Assets shall be included in determining Net Income. Such realized gains and losses shall be netted out to determine an overall gain or loss and that amount shall be added to Net Income.
- (fg) "Endowment Board Member" shall mean the Endowment Board Members as may be appointed or elected pursuant to the terms of this Trust Agreement these Policies. Collectively, Endowment Board Members are also known as members of the Endowment Board.
- (h) "Average Fund Balance" shall mean the sum of the fair market value of the Fund as of the last day of the 12 preceding quarters divided by 12.

ARTICLE XVII

MISCELLANEOUS

17.1 ~~Ne-Binding and Third-Party Beneficiaries. This Trust Agreement~~ These Policies shall ~~not confer any~~ be binding upon and inure to the benefit of the Church, the Endowment Board Members, and their respective successors in interest and permitted assigns. No rights or remedies will be conferred upon any person other than the Grantor Church, Endowment Board Members, and ~~#s~~their respective successors and permitted assigns.

17.2 ~~Entire Agreement. This Trust constitutes~~ These Policies constitute the entire agreement among the Church and the Endowment Board Members with regard to the Fund ~~and their successors in interest and supersedes any prior understandings, agreements, or representations by or among the Grantor and the Fund Trustees,~~ written or oral, to the extent they have related in any way to the subject matter hereof.

17.3 ~~Succession and Assignment. This Trust Agreement shall be binding upon and inure to the benefit of the Grantor and the Fund Trustees named herein and their respective successors in interest and permitted assigns. Neither the Grantor nor the Fund Trustees may assign any rights, interests, or obligations hereunder without the prior written approval of both.~~ Electronic Signatures. Any authorizations, approvals, consents, notices, demands, or other communications contemplated under these Policies may be made by electronic means as authorized under Ohio law. A party's acceptance of these Policies, or execution or delivery of any other document relating to the Fund, may be evidenced and effected by electronic signature, which will constitute a legal, valid and binding signature and have the same force and effect as a manual signature as provided for under Ohio law.

17.4 ~~Counterparts. This Trust Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.~~

17.54 ~~Headings Interpretation. The section headings contained in this Trust Agreement~~ these Policies ~~are inserted~~ included for convenience only and shall not affect in any way the meaning or interpretation of ~~this Trust Agreement~~ these Policies. Where permitted by the context, each pronoun used in these Policies includes all genders and both singular and plural, and each noun used in these Policies includes both singular and plural.

17.65 ~~Governing Law. This Trust Agreement~~ These Policies shall be governed by and construed in accordance with the ~~trust and fiduciary~~ laws of the State of Ohio, including, without limitation, UPMIFA and the Uniform Electronic Transactions Act (Ohio Revised Code §1306.01, et seq.) without giving effect to any choice or conflict of law provision or rule, ~~(whether of the State of Ohio or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Ohio.~~

17.76 ~~Severability. Any term or provision of this Trust Agreement~~ these Policies that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

~~In Witness Whereof, the Settlor and Board of Trustees have caused this instrument to be signed in their respective names this ___th day of _____ 2002~~ 23.

The undersigned hereby certifies that s/he is the duly qualified and acting _____ of the First Congregational Church of Akron, Ohio, and that the foregoing Policies were adopted by the Governing Board of the Church at a meeting held on _____, 2024.

By: _____

Name: _____

Title: _____