

## **Pittsfield Township Historical Society Trust: Purpose, Grant, Terms, and Conditions**

WHEREAS, the PITTSFIELD TOWNSHIP HISTORICAL SOCIETY is a tax exempt non-profit corporation located in the Township of Pittsfield, Michigan, and is desirous of creating a Trust for the purpose of having its monies invested, the income of which is to be used by the Society and is further desirous of having said Trust available for gifts by its members and friends; Whereas, this Trust is organized and operated exclusively for purposes described in Section 501(c)(3) of the Internal Revenue Code; And whereas, the assets are dedicated solely for the above purposes during the term of the Trust and on termination;

NOW COMES the PITTSFIELD TOWNSHIP HISTORICAL SOCIETY, a non-profit corporation of the State of Michigan, by the authority of its Board of Directors, Grantor herein, and does hereby authorize the future periodic transfer of funds to the Trust, for the uses and purposes set forth herein and subject to the following terms and conditions:

1. The Trustee (hereinafter to be read: Trustee or Trust Committee acting as Trustee) shall designate the funds herewith deposited with it and all subsequent contributions, whether from the Grantor or others, as the PITTSFIELD TOWNSHIP HISTORICAL SOCIETY TRUST. Trustee shall accept gifts, devises and bequests from individuals into this trust and where possible, in its periodic accounting of this Trust, use such words that will appropriately give credit to the donor such as "John Hancock Memorial Gift."
2. The Trustee shall invest and reinvest the Trust property as hereinafter directed and shall collect the income and proceeds thereof and shall pay the net income thereof, as needed, in quarterly payments on the 15th of January, April, July, and October, in each year, to PITTSFIELD TOWNSHIP HISTORICAL SOCIETY, for its general corporate purposes.
3. The Grantor, PITTSFIELD TOWNSHIP HISTORICAL SOCIETY, shall cause to be formed a Trust Committee consisting of not less than three (3) or more than five (5) members of the PITTSFIELD TOWNSHIP HISTORICAL SOCIETY.

Trust Committee members shall serve without pay and no money or anything else of value shall be paid to any Trust Committee member or his/her family members. The Grantor in its sole discretion may discharge any or all Trust Committee members.

It shall be the duty of the Trust Committee to review with the Trustee, if any, the administration of the Trust, assist the Trustee as required, periodically review the administration of the Trust, and report to the full Board of Directors of the PITTSFIELD TOWNSHIP HISTORICAL SOCIETY as often as necessary.

Alternatively, the Trust Committee will perform directly the functions of Trustee, as referenced and described herein. In this eventuality, the Trust Committee shall designate from among its members a President and Treasurer, who may be the same person. The Treasurer shall invest and manage investments, and make timely quarterly reports to the Trust Committee. The President shall make timely reports at meetings of the Board of Directors and Annual Meeting of the PITTSFIELD TOWNSHIP HISTORICAL SOCIETY.

4. In addition to the payments of income to the Grantor as hereinabove described, the Trust shall pay to the PITTSFIELD TOWNSHIP HISTORICAL SOCIETY so much of the principal as is deemed necessary by the

Trust Committee of the Grantor, PITTSFIELD TOWNSHIP HISTORICAL SOCIETY, to fulfill the function and purposes of the Grantor. Such invasion of the Trust principal, however, shall only occur under "emergency" or "extraordinary" circumstances such as the opportunity to purchase a key property or other major resource. In any event, such determination to invade the trust principal shall be at the sole discretion of the Board of Directors of the PITTSFIELD TOWNSHIP HISTORICAL SOCIETY by a three-fourths (3/4ths) vote of the total Board. In no event shall the principal be invaded for operational purposes.

5. The Trustee hereunder shall have the following powers and authority in respect of all property embraced within every trust herein provided, viz:

To take possession of the trust property, and to collect and receive the monies, interest, profits and income arising therefrom, with full power in the Trustee to manage, invest, and reinvest the same and all such trust estate in any kind of property, personal and real, including by way of illustration: bonds, stocks of any class, mortgages and other investments and property as in the discretion of the Trustee may deem most advantageous to such trust thereof; to vote, in person or by proxy with respect to any and all securities; to exercise, or sell, options, conversion privileges or rights to subscribe for additional securities and to make payments thereof; to consent to or join in any voting trusts, reorganizations, consolidations, mergers, foreclosures and liquidations, and in connection therewith to deposit securities with or under the direction of any protective committee under such terms as the Trustee may deem advisable, and to accept and hold any securities or other property received through the exercise of any of the foregoing powers; to have issued and hold unregistered or in their name, or in the name of a nominee securities or other property requiring or permitting registration; to retain all property in the form in which the same shall be received by the Trustee without liability for any loss that may be incurred thereby; to sell, either for cash or part cash and part deferred payments, to option, convey, exchange, lease for any length of time and with or without covenants of renewal, to borrow money on the general credit of any assets in the Trust by pledge or mortgage of any of the trust property as security for the repayment thereof, to renew from time to time any note of other obligation, to mortgage, pledge, partition, improve, repair, surrender, abandon and distribute or otherwise dispose of or deal with all of the trust property, or any part thereof, or any interest therein, at such time or times and in such manner, either public or private, and upon such terms as in the absolute and uncontrolled discretion of the Trustee may deem expedient and proper; to settle, compromise or abandon claims in favor of or against the trust estate; except as herein otherwise provided to take distributions or divisions of the trust estate in cash or in kind, or both, in equal or unequal proportions, at valuations determined by the Trustee. No person or corporation dealing with the Trustee shall be required to invest the regularity, validity or propriety of any transaction with respect to the disposition of cash or property of the trust estate or the application of the proceeds of any such transaction.

It is the purpose of this Trust, and the intent of the Grantor, PITTSFIELD TOWNSHIP HISTORICAL SOCIETY in creating it, to create a tax exempt charitable trust which will create future income to the Grantor enabling it to use said income to cover its operational costs and further to create a vehicle whereby the members of the Society and its friends can by gift, will or otherwise, give money and property to the Grantor to carry out the purpose of this Trust.

The PITTSFIELD TOWNSHIP HISTORICAL SOCIETY is exempt from federal income tax under the provision of Section 501(c)(3) of the Internal Revenue Code, and not a private foundation under Internal Revenue

Code, Section 509(a), for the reason that the Society is organized and operated exclusively for cultural and educational purposes.

If for any reason the Grantor ceases to exist as an organization exempt from federal income taxes under the provision of Section 501(c)(3) of the Internal Revenue Code and not a private foundation under the Internal Revenue Code Section 509(a) at the time when any principal or income of the Trust is to be distributed to it, the Trustee shall distribute such principal or income which would have been allocable to the PITTSFIELD TOWNSHIP HISTORICAL SOCIETY in a manner consistent with Section 6 of the PITTSFIELD TOWNSHIP HISTORICAL SOCIETY Articles of Incorporation, viz:

"Section 6: Upon dissolution of this corporation, assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future Federal tax code, or shall be distributed to the Federal government, or to a state or local government, for a public purpose. Specifically, in compliance with this Section, the Pittsfield Township Historical Society will seek to distribute funds to the qualifying organization(s) that most closely approximate(s) the mission stated in Section 1 and 2 above. For example, should Pittsfield Charter Township sustain and support a Historical Commission, this may be the most appropriate recipient of Historical Society assets -- with the provision that such materials and/or moneys shall remain within the limits of the Township and be used specifically for historic purposes. In the eventuality that such an option is not present, the Board of Directors of the Historical Society will consult with the Pittsfield Township Board to determine the successor agency(ies) for receipt of assets."

The Trustee 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; but 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 PITTSFIELD TOWNSHIP HISTORICAL SOCIETY than those purposes set forth in the Articles of Incorporation of PITTSFIELD TOWNSHIP HISTORICAL SOCIETY a copy of which is attached hereto and incorporated herein by reference, or as shall in the opinion of the Trustee, jeopardize the federal income tax exemption of this Trust pursuant to Section 501(c), the Internal Revenue Code of 1954, as now in force or afterwards amended.

This Trust shall be irrevocable until it expires by its own terms. However, Grantor may by instrument in writing, deliver to the Trustee modifications or alterations of this agreement in order to comply with any state or federal regulations as amended governing charitable trusts. However, the duties, powers, compensation, and liability of the Trustee shall not be changed without its consent.

The Grantor may, however, elect to discharge the Trustee and select a successor Trustee. Such change in Trustee shall be accomplished by giving to the Trustee written notice setting forth the effective date of the termination of the Trustee's powers and duties. Such notice shall be given by registered mail thirty (30) days prior to the effective date of the termination of the Trustee's duties.

The Trustee shall resign by written notice setting forth the effective date thereof delivered personally or sent by registered mail thirty (30) days prior to such effective date to the Grantor.

Within thirty (30) days after the delivery or mailing of such notice of resignation, the Grantor shall select a successor Trustee to the Trustee and shall, in writing, inform the Trustee of the selected successor to the Trustee.

Witnesses:

Pittsfield Township Historical Society