

**PARISH ENDOWMENT MANAGEMENT SERVICES AGREEMENT**

THIS AGREEMENT is made this \_\_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_, between THE RECTOR, CHURCHWARDENS AND VESTRYMEN of \_\_\_\_\_  
\_\_\_\_\_ CHURCH, located at \_\_\_\_\_,  
New York (the “Church”) and TRUSTEES OF THE ESTATE AND PROPERTY OF THE DIOCESAN CONVENTION OF NEW YORK, with offices at 1047 Amsterdam Ave, New York, New York 10025 (the “Trustees”).

**WITNESSETH:**

WHEREAS, the Trustees is a New York Not-for-Profit corporation acting under the Diocesan Convention of the Protestant Episcopal Church of the Diocese of New York (the “Diocesan Convention”) and is authorized, among other things, to take possession of the temporalities belonging to any church, parish or religious society existing or acting under the Diocesan Convention and to manage the same and to apply the proceeds thereof for religious, educational and charitable purposes of the Diocesan Convention or of any parish, congregation, society, church, chapel, mission, religious, benevolent, charitable or educational institution existing or acting under the Diocesan Convention; and

WHEREAS, pursuant to the authority granted to it by Chapter 444 of the Laws of 1943, as amended, the Trustees has established, and acts as trustee of, the Diocesan Investment Trust of the Diocese of New York Equity Fund and the Diocesan Investment Trust of the Diocese of New York Income Fund for the purpose of providing investments to itself and to any church, parish, congregation, society, chapel, mission, religious, benevolent, charitable or educational institution of the Protestant Episcopal Church

carrying on its activities wholly or partly in the Diocese of New York or of any organization or corporation holding funds for the benefit of any of the foregoing or for promoting any of the purposes for which any of the foregoing were formed or for the purpose of supporting a bishop, religious pastor or teacher or any building or buildings used by any of the foregoing, whether holding such funds as fiduciary or otherwise....; and

WHEREAS, the Church desires to have the Trustees provide management services with respect to certain of the endowment funds of the Church for and on behalf of the Church and, in furtherance thereof, to delegate and grant to the Trustees all of the powers, responsibilities and discretionary authority possessed by the Church with respect to the retention, investment, reinvestment and disbursement of such property in the manner and subject to the terms, conditions and agreements hereinafter set forth; and

WHEREAS, the Church is a New York religious corporation of the Protestant Episcopal Church existing or acting under the Diocesan Convention which carries on its activities wholly or partly in the Diocese of New York and is qualified to invest funds in any one or more funds of the Diocesan Investment Trust of the Diocese of New York.

NOW, THEREFORE, in consideration of the mutual premises and covenants herein contained, the parties hereto agree as follows:

## **ARTICLE I**

### **Management of the Endowment Fund**

The Church hereby delegates and grants to the Trustees full power and discretionary authority with respect to the retention, investment and reinvestment of all cash, securities and other assets comprising the investment portfolio which may be

transferred to and placed under the supervision of the Trustees by the Church in accord with and pursuant to the terms of this Agreement (which investment portfolio, together with all additions, withdrawals, substitutions and alterations occurring during the term of this Agreement is referred to herein as the “Endowment Fund”). The Trustees may, without prior approval by or notice to the Church, make all investment decisions concerning the Endowment Fund, and make all purchases and sales and otherwise effect transactions in securities and other assets of the Endowment Fund (including, without limitation, purchases and sales of shares of any one or more funds of the Diocesan Investment Trust of the Diocese of New York, or any successor thereto), as the Trustees, in the Trustees’ discretion, may deem advisable from time to time. The Trustees may also, as agent or otherwise, execute any documents, pay any expenses and take any other actions on behalf of the Church which the Trustees may consider necessary or advisable in connection with the administration and management of the Endowment Fund and the disbursement thereof as provided in this Agreement.

## **ARTICLE II**

### **Distributions to the Church**

In each calendar year during the term of this Agreement the Church shall receive from the Endowment Fund an amount (the “unitrust amount”) which shall be equal to a fixed percentage (currently 5%) of the average of the fair market values of the Endowment Fund at specified dates in each of the prior years of the Endowment Fund, up to a maximum of three (3) such prior years, as provided in Schedule A annexed hereto.

The unitrust amount for any calendar year shall be distributed to the Church in equal installments quarter-annually in the months of January, April, July and October

from the net income of the Endowment Fund and, if and to the extent the net income is insufficient, from the principal of the Endowment Fund. Any net income from the Endowment Fund in excess of the unitrust amount for such year shall be added to the principal of the Endowment Fund.

The first installment toward the unitrust amount, if any, applicable for the year in which occurs the initial funding of the Endowment Fund shall be paid upon the expiration of the calendar quarter in such year in which occurs the initial funding of the Endowment Fund. In the event of the termination of this Agreement installment payments toward the unitrust amount, if any, for the year in which occurs the termination of this Agreement shall cease upon payment of the last such regular installment payment prior to termination of this Agreement.

Except as provided hereinabove or in Schedule A annexed hereto with respect to the procedure for determining future unitrust amounts, after the initial funding of the Endowment Fund additional contributions to or withdrawals from the Endowment Fund shall not be taken into account for purposes of determining the unitrust amount to be distributed in any year.

### **ARTICLE III**

#### **Additions, Withdrawals, Termination**

The Church may, at any time, increase the Endowment Fund by depositing additional property therein which the Trustees deem acceptable for purposes of the Endowment Fund.

The Church may, at any time, upon at least thirty (30) days written notice to the Trustees, withdraw property from the Endowment Fund.

In the event that all property of the Endowment Fund is withdrawn or otherwise distributed to the Church or expended as provided in this Agreement, the Endowment Fund and this Agreement shall terminate.

#### **ARTICLE IV**

##### **Term of Agreement**

The initial term of this Agreement shall commence on the date hereof and shall continue until December 31<sup>st</sup> of the year following the year in which this Agreement is entered into, and shall thereafter be renewed automatically for successive periods of one year each, subject to termination by either party upon not less than thirty (30) days prior written notice to the other party.

#### **ARTICLE V**

##### **Amendment, Modification or Waiver**

This Agreement may not be amended nor may any provision of this Agreement be considered modified or waived except by a writing signed by the parties hereto.

#### **ARTICLE VI**

##### **Entire Agreement**

This Agreement represents the entire agreement between the parties hereto and shall be binding upon and inure to the benefit of the parties hereto and their respective successors. The rights and obligations of the Church and the Trustees hereunder shall not be assignable or transferable.

**ARTICLE VII**

**Compensation of the Trustees**

The Trustees shall receive no compensation for its services, but shall be reimbursed from the Endowment Fund for all expenses and disbursements it may incur in connection with the administration or disposition of the Endowment Fund.

**ARTICLE VIII**

**Governing Law**

All questions, whether of administration, validity or effect arising under or with respect to this Agreement, and all and several of the respective powers, rights, duties and responsibilities of the Church and the Trustees hereunder shall be governed by and be determined in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the day and year first above written.

The Rector, Churchwardens and Vestrymen  
of \_\_\_\_\_ Church

By: \_\_\_\_\_  
Office: \_\_\_\_\_

Trustees of the Estate and Property of the  
Diocesan Convention of New York

By: \_\_\_\_\_  
Office: \_\_\_\_\_

**Schedule A**

**PROCEDURE FOR DETERMINATION  
OF UNITRUST AMOUNTS**

As used in this Agreement, the unitrust amount for any calendar year shall be determined as follows:

1. For The Initial Year. In the calendar year in which the initial contribution is made to the Endowment Fund, the unitrust amount shall be the amount determined by multiplying (i) the sum which is five (5%) percent of the net fair market value of the Endowment Fund as of the date on which the initial contribution is made times (ii) that fraction the numerator of which is the number of full calendar quarters remaining in such calendar year subsequent to the date on which such initial contribution is made and the denominator of which is four (4).

2. For The Second Year. For the calendar year immediately succeeding the calendar year in which occurs the initial funding of the Endowment Fund the unitrust amount shall be that amount which is equal to five (5%) percent of the net fair market value of the assets of the Endowment Fund as of the date which is the later of September 30<sup>th</sup> of the prior calendar year or the date on which the initial contribution is made to the Endowment Fund.

3. For the Third Year. For the third calendar year the unitrust amount shall be that sum which is equal to five (5%) percent of the average of the net fair market value of the assets of the Endowment Fund as of September 30<sup>th</sup> of the immediately preceding calendar year and the net fair market value of the assets of the Endowment Fund as of the date which is the later of September 30<sup>th</sup> of the

first calendar year or the date on which the initial contribution is made to the Endowment Fund.

4. For Each Subsequent Year. For each calendar year subsequent to the third year the unitrust amount shall be that sum which is equal to five (5%) percent of the average of the net fair market values of the assets of the Endowment Fund as of September 30<sup>th</sup> of each of the prior three (3) calendar years (or, where applicable with respect only to the first calendar year, as of the later date of the initial contribution to the Endowment Fund).