

TRUST AGREEMENT

for benefit of

HOUSTON NEGRO HOSPITAL

TRUST AGREEMENT
for benefit of
HOUSTON NEGRO HOSPITAL

This TRUST AGREEMENT this day made and executed by and between the Advisory Committee of Houston Negro Hospital, a corporation organized under and by virtue of the laws of Texas, with domicile at Houston, Texas (which corporation is hereinafter called "Beneficiary"), and Fidelity Trust Company of Houston, Texas, an incorporated trust company existing under and by virtue of the laws of Texas, (hereinafter called "Trustee"), WITNESSETH:

WHEREAS, it has been made known that Beneficiary may become the beneficial recipient of certain endowments and benefits in trust for the purpose of aiding and furthering the work in which it is presently engaged in accordance with present terms of its corporate charter, being that of maintaining, operating and conducting, on the broadest humanitarian principles, a hospital and a training school for nurses, without financial gain accruing therefrom to any of its corporate members as such, provided, that suitable arrangements be made for the administration in trust of the moneys and the properties that may now, and hereafter from time to time be set apart, given, transferred, assigned, delivered, granted, or conveyed in trust for such purposes; and

WHEREAS, the Trustee is authorized by law, and is willing to accept and execute such trust; and

WHEREAS, said Advisory Committee, in conformity with section 6 of the corporate charter of Beneficiary, has approved such policy on the part and for the benefit of Beneficiary, and has approved the making and the form of this agreement; and J. S. Cullinan, of Houston, Texas, has tendered into such trust in such event, for the uses and purposes thereof and subject to provisions herein set forth, one thousand shares of the \$10.00 par value common capital stock of American Republics Corporation, THEREFORE,

IN CONSIDERATION OF THE PREMISES, and of the sums of one Dollar in cash by each of the parties to the other paid, and of all the further terms and provisions hereof,

IT IS AGREED:

1ST - The title to all money and property of every kind which may become a part of the trust estate herein set up and provided for shall vest irrevocably in Fidelity Trust Company of Houston, Trustee for Houston Negro Hospital, and shall be held and administered in whole and in part by said Trustee in trust for the use and benefit of said Beneficiary, in all matters and things subject to and governed by the terms, provisions, directions and authority of this instrument. Any person or persons may at any

time during the term of this trust set apart, give, transfer, assign, deliver, grant or convey to the Trustee any moneys or properties for such purposes; and upon acceptance thereof by the Trustee, as evidenced by its receipt therefor making appropriate reference to this instrument, the same shall thereby and thereupon be and become a part of the trust estate hereunder. The Beneficiary, by acceptance of any payment or benefit hereunder, shall thereupon and thereby be deemed to be, and shall be bound and governed by each and all of the provisions of this instrument with respect to this trust and the Beneficiary's rights in and in respect thereof, as fully as if the Beneficiary were a party signatory hereto; and, in addition, the Beneficiary may become an active party signatory hereto by the due execution and delivery to the Trustee of Beneficiary's corporate acceptance of and agreement to all the terms of this instrument.

2ND - The Trustee shall be and is hereby authorized and empowered to do and perform the following acts and things in respect of the principal and income of the trust estate;

(a) To hold, possess, manage, control and administer the said trust estate and every part thereof, with full power to sell, transfer, assign, convey and dispose of the same upon such

terms and in such manner and for such prices as to the Trustee shall seem meet and proper.

(b) To invest and re-invest all or any part of the trust estate which may come into its hands, in such a manner and, in such securities or other property, personal or real, and upon such terms, and for such length of time, as to the Trustee shall seem meet and proper, regardless of any restrictions imposed by any law upon the investment of trust funds; it being provided, however, that in the event of any money, securities or property being tendered and accepted as a part of the trust estate accompanied by instructions or directions from the donor or grantor thereof as to the character of investment in which the same shall be held, and the length of time for which such investment shall be retained, the Trustee shall retain and hold any such investment in conformity with such instructions and directions, without incurring any liability for so doing.

(c) To collect, receive, hold and disburse all income from the trust estate, and to determine how all receipts and disbursements shall be credited, charged or apportioned as between principal and income, its decision in regard thereto to be final, conclusive and binding upon all interested parties.

(d) To pay out of the income of such trust estate, or out of principal thereof, if at any time there be insufficient income, and before any disbursement thereof, all taxes of every kind, including income taxes, assessments, insurance charges, costs of administration of the trust (including a reasonable compensation to the Trustee for its services hereunder) and reimbursements for its outlays in respect thereof, and all costs and expenses which in the Trustee's opinion were necessary or advisable and were incurred for the preservation, maintenance and protection of the trust estate or any part thereof.

(e) To execute, authenticate and deliver any and all proper assignments, bills of sale, receipts, transfers, deeds, conveyances, contracts, proxies for the voting of corporate stocks held in the trust estate (the right to vote such stocks being here vested in the Trustee), and other written instruments which the Trustee in its judgment may deem to be needful or desirable.

(f) To do all acts (except as may be herein otherwise limited) which in the sole judgment and discretion of the Trustee are needful or desirable for the proper and advantageous control and management of the trust estate, and every part thereof, to the same extent and with the same effect as might legally be done by an individual in absolute ownership and control of said property.

3RD - The entire net income of the trust estate shall be paid over and delivered by the Trustee to or for the use of Beneficiary, to be used and applied in carrying out and further- the present corporate charter purposes of Beneficiary, at convenient periodic intervals, and at least semi-annually. The Trustee shall furnish the Advisory Committee (or its successor body) of Beneficiary with statements of the condition of the trust estate at least annually.

4TH -Any similar corporate organization in which or with which the Beneficiary may be merged or consolidated, and any similar institution or corporate organization which may become a successor to Beneficiary and to its properties (other than its present or prospective interest in this trust), which may in the sole discretion and judgment of the Trustee be approved and be accepted by the Trustee, in lieu of the present beneficiary hereunder, shall upon such approval and acceptance executed by the Trustee in writing and delivered to such new beneficiary, become the beneficiary hereunder, and thereupon succeed to all rights and interests of the present Beneficiary in and to this trust and the benefits thereof.

5TH - Unless terminated earlier under some other provision of this instrument, this trust shall continue and endure in

full force and effect for the period of twenty-one years, beginning with the date of execution of this instrument, at the termination of which period this trust shall end, and thereupon the Trustee shall pay over, deliver, transfer, assign and convey to the then beneficiary hereunder all of the assets, of every kind, of the trust estate then remaining in its hands.

6TH - It is expressly provided, anything herein to the contrary notwithstanding, that if at any time prior to the expiration of said period of duration of this trust, as hereinbefore fixed, the present or any approved and accepted succeeding beneficiary hereunder shall, as determined by the Trustee acting in its sole and unlimited authority and discretion in such matter, cease to perform and carry out the purposes and objects for the aid and furtherance of which this trust by its express terms, is created, then and in any such event upon the written declaration of its determination to such effect by the Trustee, delivered in writing to the then beneficiary and declaring such determination by the Trustee and fixing the termination date of this trust, it shall thereupon cease and terminate; and in such event the funds, properties and assets, both principal and income, of the trust estate then remaining at such termination date in the hands of the

Trustee shall be by the Trustee returned, repaid, re-delivered and re-conveyed to the respective original donors and grantors thereof, or to their legal representatives or such other persons as may be legally entitled to receive them. In the event of any such return, re-payment and re-delivery by the Trustee to the said original donors and grantors, the Trustee is authorized and empowered in its sole discretion to make the same in money or in kind or both, with authority to convert properties into money for such purpose, and its decision concerning values for the purposes of such return and re-distribution shall be binding and conclusive on all parties interested therein.

7TH - The Trustee may resign from and be relieved of this trust by written resignation, notice of which shall be given to the then beneficiary thereof, and thereupon the Beneficiary acting by and through its Advisory Committee (or successor body in authority) jointly with the then Trustee and the Senior Judge of the United States District Court for the Southern District at Houston, or its successor court (or a majority of them if unable to agree) shall within sixty days after the giving of such notice, designate a successor trustee by appropriate written instrument executed, acknowledged and filed with the successor trustee, with whom such resignation shall also be filed; whereupon such successor trustee shall ipso facto be and become vested with all titles,

rights, powers and duties as Trustee hereunder, and the Trustee so resigning shall account to its successor for all of the trust assets, and execute such other and further conveyances and assurances of title thereto that may be necessary in the premises.

8TH - The Trustee accepts the trust hereby created and the duties hereby imposed upon it in consideration (in addition to those heretofore expressed) and on condition that it shall have a first and paramount lien on the trust assets securing payment of its compensation and expenses, and that it may advise with its legal counsel, and that any action under this agreement taken or suffered by it in good faith in accordance with, and any reliance upon the opinion of its counsel, shall fully protect it in respect thereof, and that it shall not be liable for any error of judgment, nor for any act done or step taken, nor for any act or step omitted, nor for any mistake of fact or law, nor for anything which it may do or refrain from doing in good faith; nor generally for any other matter or thing in the premises except its own bad faith or gross negligence.

IN WITNESS WHEREOF said Advisory Committee acting by and through its duly authorized Chairman, and said Fidelity Trust

Company of Houston, acting by and through its duly authorized officers, have executed these presents at Houston, Texas, this 28th day of July, 1934.

FIDELITY TRUST COMPANY OF HOUSTON
TRUSTEE

CORPORATE SEAL

By E. G. FLOETER
President.

ATTEST:

R. E. POWELL
Secretary.

ADVISORY COMMITTEE OF
HOUSTON NEGRO HOSPITAL

By J. Y. POWELL
Chairman.

THE STATE OF TEXAS |
COUNTY OF HARRIS |

BEFORE ME, the undersigned authority in and for said County and State, on this day personally appeared E. G. Floeter, known to me to be the person whose name is subscribed to the foregoing instrument as President of Fidelity Trust Company of Houston, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, as the corporate

act and deed of said Fidelity Trust Company of Houston, and in the capacity therein stated.

GIVEN UNDER MY HAND and seal of office this 28th
day of July, 1934.

N. P. SEAL

W. C. WILLIAMSON
Notary Public in and for
Harris County, Texas.

THE STATE OF TEXAS |
COUNTY OF HARRIS |

BEFORE ME, the undersigned authority in and for said State and County, on this day personally appeared J. Y. Powell, known to me to be the person whose name is subscribed to the foregoing instrument as Chairman of the Advisory Committee of Houston Negro Hospital, a corporation of Houston, Texas, and he acknowledged to me that he executed the same for the purposes and considerations therein expressed as the act and deed and by the authority and direction of said Advisory Committee and in the capacity therein stated.

GIVEN UNDER MY HAND and seal of office this 28th
day of July, 1934.

N. P. SEAL

W. C. WILLIAMSON
Notary Public in and for
Harris County, Texas.