

CHI PHI EDUCATIONAL TRUST
Governing Documents and Resolutions Creating Trust
(Reviewed and updated November 6, 2010)

Resolution of Organization

WHEREAS CHI PHI FRATERNITY is desirous of providing for the establishment of a trust to be known as the CHI PHI EDUCATIONAL TRUST, for the following educational and charitable purposes:

- a) To assist and supplement the work of universities, colleges, and schools in the promotion of scholarship and the development of the character and morale of students;
- b) To provide improved educational facilities, opportunities and conveniences for students in universities, colleges, and schools;
- c) To make donations and/or loan money to universities, colleges, and schools;
- d) To assist needy and deserving students to complete their education;
- e) To aide and assist aged or disabled former students who are in need and who are worthy of assistance; and charitable purposes which are not inconsistent with the foregoing specific purposes.

NOW THEREFORE, BE IT RESOLVED THAT Dr. Theodore B. Appel, Earle Reynolds, Albert W. Torbet, D. D. Craft, and Phil Schiesswohl be and they are hereby designated and appointed as a committee to organize a trust for said educational and charitable purposes, to be known as the Chi Phi Educational Trust, under a trust agreement in substantially the form submitted to this meeting, and that said Dr. Theodore B. Appel, Earle Reynolds, Albert W. Torbet, D. D. Craft, and Phil Schiesswohl be and they are hereby requested to act as the original Trustees of the said trust.

Resolution Creating Board of Governors

WHEREAS it has been determined by CHI PHI FRATERNITY to cause to be established a trust to be known as the CHI PHI EDUCATIONAL TRUST, under an agreement substantially in the form submitted to this Congress; and

WHEREAS it is provided by said form of agreement that the Trustees of said trust, other than the original Trustees, shall be appointed by a Board of Governors of the CHI PHI EDUCATIONAL TRUST of the CHI PHI FRATERNITY; and

WHEREAS it is further provided in said form of agreement that the said Board of Governors shall have the power to consent to the termination of said trust;

NOW, THEREFORE, BE AND IT IS HEREBY RESOLVED THAT there be and hereby is created and established a Board of Governors of the CHI PHI EDUCATIONAL TRUST of the CHI PHI FRATERNITY, consisting of seven (7) members of the Fraternity, of which the Chairman of the CHI PHI EDUCATIONAL TRUST and another trustee elected annually by the CHI PHI EDUCATIONAL TRUST shall be ex-officio members, and of which the remaining five (5) members shall be elected by the Congress to serve for terms of two (2) years.

BE IT FURTHER RESOLVED, THAT the Chairman of the CHI PHI EDUCATIONAL TRUST shall be ex-officio chairman of said Board of Governors and another trustee elected annually by the CHI PHI EDUCATIONAL TRUST shall be ex officio vice chairman and secretary of said Board; the Grand Eta shall be the ex officio, non-voting legal counsel of said Board; that meetings of said Board may be called by the chairman or the vice chairman of said Board or by the Grand Eta if he deems it necessary by virtue of inaction by the chairman and vice chairman; to be held at any time upon ten (10) days notice (either written, electronic mail or telephone) to the members of said Board; that the notice of any meeting shall specify the business to be transacted thereat; that the members of said Board may vote either by mail, electronic mail, telephonically or in person, or by proxy given to any other voting member of the Board of Governors of CHI PHI EDUCATIONAL TRUST.

BE IT FURTHER RESOLVED that said Board of Governors shall have full power and authority to exercise all the rights, power and privileges which may be granted to said Board of Governors under the provisions of the trust instrument creating the CHI PHI EDUCATIONAL TRUST.

Amendment to Resolution Creating Board of Governors

RESOLVED at the 133rd Chi Phi Congress in Norcross, Georgia in 1998, that if a vacancy occurs on the Board of Governors more than four (4) months prior to a Congress, than the Board of Governors may elect a qualified Brother to fill any vacancy until the Congress convenes and elects new Governors.

Resolution Empowering Council

RESOLVED, That the Council of the Fraternity take full charge and direction of putting the Endowment Trust into operation and that the Council be authorized to do all things and perform all acts necessary for that purpose and also to turn over to the trustees at such time as the Council deems best all Endowment Funds and property now owned by the Fraternity which should properly be, when so turned over, a part of the Endowment Trust.

TRUST INDENTURE

THIS INDENTURE, Made this 8th day of September, A.D. 1930, by and between CHI PHI FRATERNITY, a voluntary association (hereinafter called the "Fraternity") and (here follow names of trustees) and their successors; (hereinafter called the "Trustees");

WITNESSETH:

THAT WHEREAS, the Fraternity is desirous of establishing a trust upon the terms hereinafter set forth, and to that end, has delivered to the Trustees the cash, securities, and/or property described in Schedule A which is hereto attached and made a part hereof, the receipt of which cash, securities, and/or property is hereby acknowledged by the Trustees;

NOW, THEREFORE, the Trustees declare that they hold said cash, securities, and property and will continue to hold said cash, securities, and property and all other moneys, other things of value, real estate, and property which at any time hereafter may be given, devised or bequeathed or entrusted to them by any person, association or corporation (all of which cash, securities, real estate, and/or property are hereinafter termed the "trust estate"), upon the following conditions and trusts, that is to say:

Article I

The trust hereby established shall be known as, and the Trustees acting hereunder shall collectively be known and act as, the CHI PHI EDUCATIONAL TRUST.

Article II

The trust estate and the net income arising therefrom shall be used and expended by the Trustees solely for the following educational and charitable purposes:

- a) To assist and supplement the work of universities, colleges and schools in the promotion of the scholarship and development of the character and morality of students;
- b) To provide improved educational facilities, opportunities and conveniences for students;
- c) To make donations and/or loan money to universities, colleges and schools;
- d) To assist needy and deserving students to complete their education;
- e) To aid aged or disabled former students who are in need and are worthy of assistance;
- f) To expend money for any other educational and/or charitable purpose not inconsistent with any of the foregoing specific purposes.

Article III

The Trustees shall have full power and authority at any time, and from time to time,

- a) To pay and apply the net income and principle of the trust estate in such manner as they may, in their sole and absolute discretion, deem advisable for any of the purposes mentioned in Article II. Hereof;
- b) To invest and reinvest the trust estate; to collect the income, rents, issues, profits, and increase therefrom, and to sell upon any terms, give options to purchase, assign, lease, contract to lease, exchange, pledge, and mortgage, and to alter and change the investments thereof from time to time in their discretion; to improve, manage, protect, subdivide and partition any real estate forming part of the trust estate; to dedicate for

public use and vacate any part thereof; to contract to sell, grant options to purchase, sell upon any terms and convey, mortgage or encumber; grant options to lease and to lease for any term (including leases for ninety-nine (99) years or a longer or shorter period of time) although such term extends beyond the period of the trust hereby created, and make leases upon such terms and conditions as may be deemed proper; to renew, exchange and/or extend leases and consent to the assignment and modification of any lease. In investing the trust estate, the Trustees may invest in real or personal property, including investments in obligations of individual chapters of the CHI PHI FRATERNITY, as fully and to the same extent as though the trust estate was the individual property of the Trustees, without being in any wise limited or restricted by any laws now or hereafter in force relative to the investments of trust funds by Trustees.

c) To accept gifts, bequests and devises of real and personal property of every kind and nature, from any person, association or corporation, for the general purposes of this trust, or for any special purpose not inconsistent with the said general purposes or with the provisions hereof.

d) To bind the trust estate without making themselves individually liable.

e) To employ such agents, brokers, attorneys and assistance as they may deem necessary or proper in the matter of the execution of the trusts hereby created, and the management of the trust estate.

f) To pay all costs, charges and expenses of the trust estate, including any taxes which may be assessed thereon or against the Trustees in respect thereof.

g) To make the by-laws controlling their procedure in the management of the trust estate.

h) To appoint a custodian to hold the securities belonging to the trust estate, which custodian shall be one or more duly-organized and well-established Trust Companies and/or Financial Advisors registered with the Securities Exchange Commission of the United States pursuant to the Investment Advisors Act of 1940 and having significant capital and assets under management and proven experience as a financial advisor and asset manager at the time of selection, to register and hold all securities belonging to the trust estate, either in the name of such custodian or its nominee. To exercise as full and complete power, authority and discretion in the management of the trust estate as though the trust estate were the individual property of the Trustees.

Article IV

Title to all property belonging to the trust estate shall be and remain vested in the persons who, from time to time, shall be acting as Trustees hereunder, without any other act or instrument of transfer or conveyance to, by and from any incoming or retiring Trustee. A majority of the Trustees qualified to act at any time shall constitute a quorum for the transaction of business and an affirmative vote of a majority of the Trustees qualified to act at any time shall be decisive of any question submitted. Any instrument executed for the trust by a majority of the Trustees at any time qualified to act, shall be sufficient to bind the trust estate as fully and as though executed by all of the Trustees. No person or corporation dealing with the Trustees shall be bound to see to the application of any purchase money paid or money loaned to the Trustees, or to inquire into the power and/or authority of the Trustees to make any sale, mortgage, pledge, option, assignment, or other conveyance or transfer of the trust estate.

Article V

- a) No person other than a member of the CHI PHI FRATERNITY, and at least thirty (30) years of age, shall be eligible to become a Trustee hereunder.
- b) All Trustees, except the five (5) original Trustees, shall be appointed for a period of five (5) years. The five original Trustees shall serve for terms of one, two, three, four, and five years respectively, and at their first meeting shall determine by lot their respective terms. Any Trustee shall be eligible for re-appointment.
- c) Any Trustee may resign by giving to the remaining Trustees and to the Board of Governors of the CHI PHI EDUCATIONAL TRUST and of the CHI PHI FRATERNITY ten (10) days written notice of his intention so to do. Any Trustee may be removed as Trustee by the said Board of Governors.
- d) There shall be a minimum of five (5) and a maximum of twenty (20) Trustees, the optimal number to be determined from time-to-time in consultation between the sitting Trustees and the Board of Governors. Periodically, new Trustees shall be elected (or reelected) by the Board of Governors for full, five-year terms. Trustees may also be elected (or reelected) to shorter, three or four-year terms by the Board of Governors if necessary to facilitate the terms of the sitting Trustees expiring on a staggered basis and/or to facilitate Trustee recruitment or retention. The purpose of maintaining reasonably staggered terms is to provide continuity of experience on the Trust.
- e) The Trustees may consult with counsel and shall be fully protected in any action or non-action done or permitted by them in good faith, in accordance with the opinion of counsel consulted, and upon being advised by such counsel, that any action is advisable for the protection of the trust, may institute or defend lawful proceedings.
- f) The Trustees shall be reimbursed for any loss or expense caused them, or any of them, by reason of the holding of any property belonging to the trust estate, and shall have a lien upon the principal and income of the trust estate for the amount of any liability, loss or expense which may be incurred by them, or occasioned to them, including the expense of prosecuting and defending any action or proceeding that may be brought by or against them, or any of them.
- g) No Trustee shall be personally liable for the act of a Co-Trustee hereunder, nor for any matter or thing done or omitted to be done hereunder, unless he shall be guilty of willful negligence; and no Trustee shall be personally liable under any obligation or undertaking of the trust.
- h) The Trustees shall annually, or oftener if thereunto requested, make report of their acts and doings in respect of the trust estate to the Board of Governors.
- i) The Trustees shall not be entitled to any compensation for acting as Trustees, but shall be entitled to be reimbursed for their reasonable traveling and/or other expenses incurred in connection with their duties as Trustees hereunder.

Article VI

The trust hereby established shall last in perpetuity unless the same shall be terminated as hereinafter provided. The trust hereby created may at any time be terminated by the Trustees, with the consent of the Board of Governors, provided, however, that in the event of such termination, the trust estate, as it shall then be constituted, shall be transferred and delivered to one or more educational or charitable institutions or corporations in trust to hold for one or more of the purposes mentioned in Article II hereof.

IN WITNESS WHEREOF the CHI PHI FRATERNITY has caused its name to be signed by its Secretary and the Trustees, to evidence their acceptance of the trust hereby created, have hereunto signed their names and affixed their seals the day and year first above written.

Chi PHI FRATERNITY
by.....

DECLARATION OF POLICY OF CHI PHI EDUCATIONAL TRUST

WHEREAS, on the 8th day of September, A. D. 1930, CHI PHI FRATERNITY, a voluntary association (hereinafter called the Fraternity), executed and delivered a certain indenture of trust, establishing and creating what is therein designated as "THE CHI PHI EDUCATIONAL TRUST," on certain terms and conditions and subject to certain uses and trusts, as therein more fully set forth; and

WHEREAS, the following named persons are the duly appointed and qualified trustees under said indenture:

Theodore B. Appel, Lancaster, Pennsylvania
Albert W. Torbet, Chicago, Illinois
Charles T. Winship, Atlanta, Georgia
Benjamin Russell, Alexander City, Alabama
F. Phinizy Calhoun, Atlanta, Georgia

said trustees having been appointed by the Board of Governors of the Chi Phi Educational Trust, pursuant to the terms and provisions of said trust deed; and

WHEREAS, the following named persons constitute the Board of Governors of the Chi Phi Educational Trust:

Harold S. Fuller, Boston, Massachusetts
Roy S. Younglove, Pasadena, California
E. K. Van Winkle, Atlanta, Georgia
George W. Dulany, Jr., Chicago, Illinois
Charles S. Valentine, Richmond, Virginia

WHEREAS, the said trustees and the said Board of Governors and the said Fraternity, acting by and through its duly authorized officers, desire to define and declare the policy, scope and conduct of the said trust estate and the power and authority of the trustees and any named custodian under said indenture; and

WHEREAS, present financial conditions and the present general improved conditions of the Chapters of the Fraternity are such that it is deemed to the best interests of the Fraternity to limit and restrict the class of investments in which the funds of the trust are to be invested in the future, with a view to the proper conservation and building up of the corpus of the trust;

NOW, THEREFORE, in consideration of the premises and the mutual agreements of the parties hereto, these declarations are made and it is agreed that the policy, scope and conduct of said trust estate shall be as follows, to-wit:

1. Except as may be herein otherwise provided, the invested portion of the trust estate shall at all times be held by a custodian named from time to time by the trustees, which custodian shall be one or more duly-organized and well-established Trust Companies and/or Financial Advisors registered with the Securities Exchange Commission of the United States pursuant to the Investment Advisors Act of 1940 and having significant capital and assets under management and proven experience as a financial advisor and asset manager at the time of selection.
2. The trustees shall enter into a written agreement with the said custodian, which shall provide in substance that said custodian shall act as the fiscal agent for the trust estate with power and authority to invest and reinvest the funds of the estate in such securities and in such manner as the said custodian in its discretion may deem best, taking into

consideration reasonable safety and return, all such investments to be subject, however, to the approval of a designated representative of the board of trustees; provided, however, that existing investments in obligations of Alumni Associations and Chapters of the Fraternity shall be so handled as may seem best in the interest of the Fraternity, and so as not to sacrifice or imperil such investments; and provided further that funds received on account of memorial and life memberships may be loaned to Chapter House Associations on such security as the trustees shall deem adequate; and provided further that as to any specific gifts or contributions to the trust estate, any restrictions as to the handling, investment or use thereof by the custodian may be imposed, waived or controlled by the donor.

The trustees may in their discretion withhold from the said custodian under said agreement so much or all of the present and existing funds, securities and investments of the trust estate as in their judgment and discretion may seem wise and proper; provided, however, that all future gifts or contributions to the trust estate shall be turned over to the said custodian, subject to the said agreement.

3. Subject to the approval of a designated representative of the board of trustees, the custodian shall at all times have the power and authority to sell and reinvest any part of the corpus of the trust estate, at public or private sale, with or without advertisement, and without the order of any Court, or other authority, and shall be relieved from the necessity of making returns to any Court or other authority, except that at least quarterly the custodian shall furnish a detailed report to the trustees, showing property held by it and the investments and reinvestments made in the trust estate during the preceding six months.

4. At least quarterly or oftener if funds are available and required by the trustees, the custodian shall pay over to the said trustees the net income from the said trust estate, which income shall be used and disbursed by the said trustees for the uses and trusts and in accordance with the provisions of the said trust indenture.

5. All the provisions of said original indenture of trust, as above declared and defined, are and shall remain in full force and effect.

IN WITNESS WHEREOF the said trustees, and the said Board of Governors of the CHI PHI EDUCATIONAL TRUST and the CHI PHI FRATERNITY, acting through its duly authorized officers, have hereunto signed their names and affixed their seals this 23rd day of July, 1936

Theodore B. Appel
Albert W. Torbet
Charles T. Winship
Benjamin Russell
F. Phinizy Calhoun
Trustees

Harold S. Fuller
Roy S. Younglove
E. K. Van Winkle
George W Dulany, Jr.
Charles S. Valentine
Board of Governors

CHI PHI FRATERNITY
By L. Z. Rosser
Grand Alpha

Attest:
Rutherford L. Ellis
Grand Gamma

BY LAWS OF THE TRUSTEES OF THE CHI PHI EDUCATIONAL TRUST

Article I

Officers

Section 1

The Officers of the Board of Trustees of the Chi Phi Educational Trust shall be a Chairman, a Vice Chairman, a Secretary, and a Treasurer; provided that the offices of Vice Chairman and Secretary or Secretary and Treasurer may be combined in one person. The Officers shall be elected annually at the first meeting of the Trustees held after the end of the Trust's fiscal year or, as soon thereafter as the Trustees determine is practical.

Section 2

The Chairman shall preside at all meetings of the Trustees, act as executive head of the Chi Phi Educational Trust, perform such duties as usually appertain to the office of Chairman of like bodies, and such other duties as may from time to time be imposed upon him by the Trustees.

Section 3

In the absence or disability of the Chairman, the Vice Chairman shall perform his duties, and shall perform such other duties as may be delegated to him by the Trustees.

Section 4

The Secretary shall keep all records of the Trust, including the minutes of all meetings, correct lists of all donors to the Trust, and all Annual Sustaining, Life Sustaining, and Memorial members of the Fraternity; shall prepare, with the collaboration of the Treasurer, all reports made by the Trustees to the Board of Governors and to the Congresses of the Fraternity; shall notify the other Trustees of all meetings; and shall perform such other and further duties as may be imposed upon him by the Trustees or the Chairman.

Section 5

The Treasurer shall keep the books and financial records of the Trust, shall collect moneys due to it, and disburse the funds upon order of the Trustees, shall have custody of such securities of the Trust Fund as may be delivered to him by authority of the Trustees. He shall make reports to each meeting of the Trustees of the receipts and disbursements since the previous meeting, and shall make a full and complete report at the end of each fiscal year. He shall give bond in an amount to be fixed from time to time by the Trustees.

Article II

Legal Counsel

Section 1

The Grand Eta of the Fraternity shall be the legal counsel of the Trust and shall be an ex-officio, non-voting member of the Board of Trustees. He shall be empowered to represent an absent Trustee by proxy at any meeting. The Grand Eta or the Trustees may appoint one or more members of the Fraternity who are practicing attorneys at law as assistant legal counsel for the Trust.

Article III

Meetings

Section 1

Regular meetings of the Board of Trustees shall be held in the last month of each calendar quarter of the year, or as soon thereafter as a meeting can be arranged. Additional meetings can be held at any time upon call of the Chairman, or in his absence, by the Vice Chairman. The Secretary shall give notice to all Trustees and to the Grand Eta at all meetings of the Trust.

Section 2

Trustees who are unable to be present may be represented by proxy, duly appointed, at any meeting of the Trust, provided such a proxy shall be a Trustee or the Grand Eta. Proxies to other individuals shall not be valid. Vote proxies must be in writing and delivered in hard copy or by electronic transmission to the Secretary or Chair before, or at the commencement of, the meeting to which the proxy applies. The proxy may be general, or give specific direction as to voting on a particular issue, or any combination thereof.

Section 3

A majority of the Trustees qualified to act at any time shall constitute a quorum for the transaction of business at any meeting, and an affirmative vote of a majority of the Trustees qualified to act at any time shall be decisive on any question submitted.

Section 4

Trustees may vote by mail, telephone or electronic transmission upon any question submitted to them by the Chairman and the Secretary, and the decision reached by such a vote shall be as final and binding as if enacted by a regular meeting of the Trustees.

Article IV

Custodian and Depository

Section 1

The Trustees shall select a Trust Company as custodian of the securities of the Trust, in accordance with Article III, Section (h), of the Trust Indenture.

Section 2

The Trustees shall select a Bank or Trust Company to act as depository for the funds of the Trust. Such depository may be the custodian Trust Company or may be a separate institution.

Section 3

Checks drawn upon the bank account of the Trust shall be signed by any Trust Officer or any other Trustee designated as an authorized signatory, but if the check is in the amount of \$5000.00 or more, it must be signed by two of such Officers or authorized signatories.

Article V

Investments

Section 1

The Trustees shall enter into a written agreement with the Custodian appointed under the provisions of Article IV, Section 1, of these By-Laws, providing in substance that such custodian shall act as fiscal agent for the trust estate with power and authority to invest and reinvest the funds of the Trust, subject to the conditions and restrictions contained in Paragraph (2) of the Declaration of Policy of the Chi Phi Educational Trust adopted by the 1936 Congress of the Fraternity and appearing on page 53 of the record of said Congress.

Section 2

In the event the custodian should decline to act as fiscal agent for the Trust as provided in Section 1 of this Article, or in the event that the custodian shall charge a fee for the service that in the opinion of the Trustees is excessive or exorbitant, the Trustees shall make such other arrangement for the handling or the investing of the funds of the Trust that, in the opinion of a majority of the Board, most nearly approximates the plan set forth in the aforesaid Declaration of Policy.

Section 3

No investment or change in the investment may be made in the securities of the Trust unless first approved and authorized by a majority vote of the Trustees qualified to act.

Article VI

Fiscal Year

Section 1

The fiscal year of the Chi Phi Educational Trust shall begin upon the first day of July of each year and end upon the thirtieth day of June of the following year.

Article VII

Amendments

Section 1

These By-Laws may be amended at one meeting of the Trustees by the majority vote of the Board of Trustees.