

## **Article XI – Endowment Fund of the Archdiocese of Pittsburgh and Western Pennsylvania**

The Diocese shall hold as an endowment fund (referred to as the “Endowment Fund”) the funds in the Diocese investment accounts currently identified as *First National Bank Wealth Management* and *Wealth Enhancement ADV SVC LLC*, together with any amounts that may be subsequently added to the Endowment Fund by the Diocese or by other contributors. The Endowment Fund shall be governed by the Diocesan Bishop and the Diocesan Council and shall be administered by the Diocesan Chancellor and the Diocesan Treasurer. Collectively, the Diocesan Bishop, the Diocesan Council, the Diocesan Chancellor and the Diocesan Treasurer shall be referred to as the “Trustees”. The Trustees may delegate to the Diocesan Chancellor and the Diocesan Treasurer all such powers and authority that may be required to administer the Endowment Fund as the Trustees deem appropriate and necessary to accomplish the purposes of the Endowment Fund. The Trustees shall invest and reinvest the Endowment Fund and shall accumulate and distribute the net income (called “Income”) and principal as set forth in the following endowment provisions:

a. The name of the Endowment Fund shall be the Endowment Fund of the Archdiocese of Pittsburgh and Western Pennsylvania.

b. The Trustees shall have the discretion to reinvest the Endowment Fund’s Income each year back into the Endowment Fund, or to make distributions of such Income to initiate, maintain and/or operate one or more parishes within the Diocese. The Trustees shall also have the discretion to loan funds from the Endowment Fund Income to a parish in the Diocese under such terms and conditions as the Trustees shall determine in their sole discretion and the Trustees may subsequently forgive any such loans in their sole discretion. Such loans may be made with or without interest and with security or without security.

c. Principal of the Endowment Fund may be distributed to initiate, maintain and/or operate one or more parishes in the Diocese; provided, however, that principal of the Endowment Fund may only be used for such purposes if seventy-five percent (75%) or more of the Diocesan Council members and the Diocesan Bishop approve a distribution from principal.

d. The Trustees shall have the discretion to loan funds from the principal of the Endowment Fund to a parish in the Diocese under such terms and conditions as the Trustees shall determine in their sole discretion and the Trustees may subsequently forgive any such loans in their sole discretion. Such loans may be made with or without interest and with security or without security. Any such loan of principal of the Endowment Fund and any forgiveness of such loan may be made only if seventy-five percent (75%) or more of the Diocesan Council members and the Diocesan Bishop approve such a loan.

e. If the Diocese is ever merged with, absorbed by, or in any way combined with another diocese (or dioceses), or part of another diocese (or dioceses), of the Orthodox Church in America, the Endowment Fund (including both Income and principal) shall only benefit those parishes that (i) comprised the Diocese immediately prior to the effective date of any such merger, assumption, or combination, or (ii) are founded or established after any such merger, assumption, or combination but within the same geographical boundaries of the Diocese before the merger, assumption, or combination (the “Original Parishes”) and shall not be used for any parishes of the other diocese (or dioceses) or partial diocese (or dioceses). If, and only if, all of the Original Parishes cease to exist, may any of the Endowment Fund be distributed in equal or unequal shares as the Trustees shall determine to either (i) other dioceses of the Orthodox Church in America; and/or (ii) the Orthodox Church America.

f. For purposes of the administration of the Endowment Fund, Income shall include cash dividends and interest earned from principal. Principal shall include all capital gain dividends

paid by mutual funds, capital gains on the sale of Endowment Fund assets, stock dividends and stock splits. All other determinations of principal and Income shall be made under the provisions of the Pennsylvania Principal and Income Act or such similar statute as may then be in effect under Pennsylvania law.

g. The Trustees shall have the following powers in the administration of the Endowment Fund in addition to all other powers granted by law:

1. To receive and retain any assets, real or personal, which the Trustees may deem for the best interest of the Fund without being required to sell those assets.

2. To invest and reinvest in any securities that a prudent investor of intelligence and discretion would buy for himself for investment, and not for speculation, giving due regard to the safety of the principal and the adequacy of the income.

3. To register or carry any investment held by the Trustees in the name of the Endowment Fund, the Trustees or in the names of one or more nominees including that of a member firm of the New York Stock Exchange, a clearing house, a depository, in book entry form, or to retain any investment unregistered or in a form permitting transfer by delivery; provided, however, that all such investments shall be so designated in the records of the Trustees.

4. To vote by person or proxy any and all stock held in the Endowment Fund and to participate in any reorganization or merger of companies or corporations whose stock is held in the Endowment Fund. The Trustees may exercise any and all conversion, subscription and other rights of whatever nature with respect to any stocks, bonds or other securities held in the Endowment Fund.

5. To employ investment counsel, accountants, depositories, custodians, brokers, attorneys and agents whenever their employment shall be deemed necessary or proper and to pay them the usual compensation for their services out of the principal and/or income of the assets held in the Endowment Fund.

6. To receive any amounts payable under any life insurance policies and to execute any claim forms and/or other documentation deemed necessary by any life insurance company in order to receive the proceeds from any policy. The Trustees are empowered to take whatever steps are required by any life insurance company to qualify the Endowment Fund to receive any amount due under any life insurance policy.

7. To receive any amounts payable under any individual retirement account, annuity, pension, profit sharing or other employee benefit or retirement plan or account and to execute any claim forms and/or other documentation deemed necessary by any administrator of such account, annuity or plan in order to receive the proceeds from any account, annuity or plan. The Trustees are hereby empowered to take whatever steps are required by any such account, annuity or plan administrator to qualify the Fund to receive any amount due under any such account or plan.

8. The Trustees shall have no liability for any mistake or error of judgment made in good faith.

9. The Diocese and/or others may add to the Endowment Fund in cash or such property in kind as is acceptable to the Trustees.

## **Article XII – Amendments**

3. Notwithstanding the prior paragraph, no amendment shall be made to Article XI of the Bylaws without first receiving the approval of seventy-five percent (75%) or more of the Diocesan Council and the Diocesan Bishop. If the Diocese is ever merged with, absorbed by, or in any way combined with another diocese (or dioceses), or part of another diocese (or dioceses), any amendment to Article XI (“Endowment Fund of the Archdiocese of Pittsburgh and Western Pennsylvania”) must not only be approved by seventy-five percent (75%) or more of the Diocesan Council and the Diocesan Bishop and a two-thirds vote of the then-existing diocesan assembly (or equivalent body), but also by a two-thirds vote of those representatives in that diocesan assembly (or equivalent body) from the Original Parishes, as defined in Article XI. Further, any future bylaws of such a combined diocese must contain an article equivalent to (or, insofar as legally permissible, equivalent to) Article XI and this Article XII.3.