

TRUST AGREEMENT EVIDENCING

SAM HOUSTON FOUNDATION

I, J. G. Davis; of Walker County, Texas, as donor, have this day irrevocably transferred, assigned and delivered unto the Trustees, herein provided to be named and appointed, and to all successor Trustees,

One Hundred Dollars (\$100.00),

cash, to be held by said Trustees for the uses and benefits hereinafter provided:

WITNESSETH:

The irrevocable public, charitable and educational Trust hereby created, comprising the subject of the above recited transfer, together with all other property which may hereafter be delivered over to the Trustees, and including properties acquired by the Trustees in the management and operation of the Trust, shall be known and designated as the SAM HOUSTON FOUNDATION, title to all properties and assets being held by said Trustees and managed, controlled, operated and administered as a Trust Estate, in accordance with the terms and provisions hereinafter set forth.

1. Trust Purposes. The purposes of the Trust are to provide a legal entity to accept and receive and to manage, operate, control, administer and invest real, personal or mixed property, given, granted, donated or bequeathed for the benefit of Sam Houston State College, for educational

purposes, student loan or scholarship funds, or any other trust or specified purpose.

2. Appointment of Trustees and Successors. There shall be five (5) Trustees. The Trustees shall act and serve until they resign, die, are removed, or become incapacitated.

The original Trustees and all Successor Trustees shall be appointed by the Board of Regents, State Senior Colleges, acting for Sam Houston State College, and a record of such appointment shall be recorded in the Deed Records of Walker County, Texas.

No Trustee shall ever receive any compensation of any kind for any services rendered to the Trust, and their services shall be entirely gratuitous.

No Trustee shall ever be required to give bond for any reason.

Any Trustee may resign by giving written notice of such resignation to the President of Sam Houston State College, which shall be recorded in the Deed Records of Walker County, Texas.

Any Trustee may be removed at any time by the Board of Regents, State Senior Colleges, acting for and on behalf of Sam Houston State College. A record of such removal shall be recorded in the Deed Records of Walker County, Texas.

Each Trustee shall be liable only for his own bad faith or fraud, but shall not be liable for honest errors in judgment.

Any Trustee may delegate any of his rights, powers, privileges, duties and discretions, to any other Trustee for such period as such delegating Trustee may deem fit.

3. Incorporation of the Trust. If, at any time, the Trustees shall determine that the Trust Estate, or any part thereof, could be better or more conveniently administered in corporate form, the Trustees may cause one or more corporations to be created under Laws of the State of Texas, under such name as they may select, and with such corporate powers as shall, in the Trustees' judgment, be necessary and desirable to carry out this Trust, and shall then convey to such corporation or corporations, such part, or all, of the Trust Estate, as the Trustees shall deem desirable.

The Trustees shall be the incorporators and directors of such corporation, or corporations, and the by-laws of such corporation, or corporations, shall irrevocably provide that successor directors shall, from time to time, be chosen and appointed in the same manner herein provided for appointment of Successor Trustees.

4. Management of Properties. Properties granted or given to the Trust Estate, shall be managed, operated, controlled, administered and invested in strict compliance with the terms, conditions, limitations and other designations of use and benefit provided or specified by the donor. Trust principal and income shall be expended by the Trustees

important!

of the Foundation in such manner and for such purposes as they shall deem proper, but all such expenditures shall conform to authorizations by the Board of Regents, State Senior Colleges, acting in behalf of Sam Houston State College. Separate books and records shall be kept as to each donation.

*Important!*

5. Limitations. Anything to the contrary herein notwithstanding, this trust shall not be operated for profit and no part of the Trust Estate or the income therefrom, shall ever inure to the benefit of any private individual, corporation, association, or other organization, or be used to influence or attempt to influence legislation, or to carry on propaganda, nor shall any part of the Trust Estate, or the income therefrom, ever be used outside the State of Texas.

6. Books and Records. The Trustees shall keep full and complete records showing separately the corpus and the income of the Trust Estate. The Trustees shall, within one hundred twenty (120) days after the first day of each January, during the term of the Trust, submit statements to such of the Donors as are then living and request such statements, to the Attorney General of the State of Texas, to the President of Sam Houston State College, and to the Board of Regents of said College, showing the true status and condition of the Trust Estate as of said January 1, and all receipts and disbursements of the Trust.

during the preceding calendar year.

7. Determination of Income. Except where otherwise provided by the Donor, the Trustees shall determine whether any money or property coming into the Trustees' hands shall be treated as a part of the principal of the Trust Estate, or as a part of the income therefrom, and to apportion between such principal and income, any gain, loss or expenditure in connection with the Trust Estate as to the Trustees may seem just and equitable, and the Trustees' decision shall be conclusive.

8. Powers of the Trustees. To carry out the purposes of the Trust, the Trustees and Successor Trustees, shall have the power and authority to do and perform every act and thing in connection with the management of the Trust Estate, which the Trustees are authorized to do and perform under the Texas Trust Act, as now in force or hereafter amended, including by way of illustration, and not of limitation, the following powers and authorities:

(1) To retain any of the original properties delivered over to the Trustees, to acquire by purchase or otherwise, and to retain any kind of real, personal or mixed property, regardless of the income produced, and without any requirement as to diversification. To invest and reinvest said Trust properties in any kind of real, personal or mixed properties, authorized for investment by Trustees under the Texas Trust Act as now in force or hereafter amended.

(2) To sell property, real personal or mixed, for cash or on credit, or both, and to exchange any property, upon such terms and conditions as the Trustees shall deem best, and the purchaser shall not be under any duty to follow the proceeds of such sale.

(3) To hold any mineral interest, whether connected or not

with the ownership of the surface, which may be given or bequeathed to, or otherwise acquired by the Trust, and to make, execute and deliver with or without unitizing or pooling provisions, such oil, gas and mineral leases and exploration contracts with respect thereto, and upon such terms and conditions and for such periods of time as the Trustees may deem best.

(4) To receive additional property from any source and to hold and administer the same hereunder.

(5) The Trustees may receive or otherwise acquire property as an undivided interest with other persons, corporations, partnerships, or Trusts, including any undivided interest in any property in which the Trustees, individually or otherwise, may hold an undivided interest. The Trustees may deal with, buy from, or sell to any person, corporation, or other entity, regardless of any relationship of any Trustee to such person, corporation, or entity.

(6) The Trustees in person, or by their attorneys, are authorized to institute, join in, maintain, defend, compromise or settle, any litigation or controversy with respect to any part of the Trust Estate, or in relation to any matter arising in connection therewith, regardless of the manner in which such litigation or controversy has arisen, whenever and as often as, in the opinion of the Trustees, it is for the best interests of the Trust Estate to do so.

(7) The Trustees, whenever and as often as the Trustees shall deem it advisable to do so, are empowered to make, or cause to be made, a partition of any property or interest, or any part thereof, held in common or jointly by the Trustees under the Trust, or belonging to the Trust Estate, with any other person, firm, association, corporation or Trustee, and to join with others in making, and do or cause to be done, any and all such acts and things deemed advisable by the Trustees in order to make and effect any and all such partitions, and in connection therewith, and in order to equalize differences, the Trustees are empowered to pay out of the Trust Estate, or receive such sums of money or property as may be necessary or advisable for that purpose.

(8) To lend or borrow money, upon such terms as the Trustees may deem best, and to take and give notes or other obligations therefor, and to secure the payment of such loans by liens upon the Trust properties.

(9) The Trustees are fully authorized to make, execute and deliver, any and all contracts, leases, deeds, deeds of trust, or other agreements deemed advisable or necessary by them, in the management,

operation, control, administration, investment or sale, of any of the Trust properties, or any part thereof, or to otherwise carry out the purposes of the Trust.

EXECUTED in a number of copies, each of which shall constitute an original, and all of which shall constitute only one instrument, as of April 17, 1967.

  
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J. G. DAVIS, Donor

THE STATE OF TEXAS     |

COUNTY OF WALKER       |

BEFORE ME, the undersigned authority, on this day personally appeared J. G. Davis, known to me to be the person whose name is subscribed to the above and foregoing instrument, and acknowledged to me that he executed same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 17<sup>th</sup> day of April, 1967.

  
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NOTARY PUBLIC, WALKER COUNTY, TEXAS