

# FRIENDS FIDUCIARY CORPORATION

## Custody and Investment Management Agreement

When you are ready to invest, please complete and sign this Agreement. In addition, please return the following along with the completed agreement and the initial deposit.

### Meetings and churches:

- 1) A list including the names, address, phone and email for Clerk, Recording Clerk, and Treasurer or any other authorized signer
- 2) Authorizing Minute to invest in FFC
- 3) Fund Information Sheet (attached to this agreement)
- 4) Direct Deposit Authorization for Income Distribution, if receiving income pay out (attached to this agreement)

### Organizations:

- 1) A list of the names of Directors, Trustees and Officers
- 2) Authorizing Minute to invest in FFC
- 3) Fund Information Sheet (attached to this agreement)
- 4) Direct Deposit Authorization for Income Distribution, if receiving income pay out (attached to this agreement)

Other Policies and Procedures, which are an integral part of this Agreement, are Friends Fiduciary's

- ❖ Investment Philosophy and Guidance
- ❖ Investing in the FFC Consolidated Fund

Please let us know if you do not have copies.

Any questions, please contact the Friends Fiduciary Office at 215-241-7272 or [info@friendsfiduciary.org](mailto:info@friendsfiduciary.org)

# FRIENDS FIDUCIARY CORPORATION

## CUSTODY AND INVESTMENT AGREEMENT

THIS CUSTODY AND INVESTMENT MANAGEMENT AGREEMENT (the "Agreement") is made this \_\_\_\_ day of \_\_\_\_\_, by and between \_\_\_\_\_ a \_\_\_\_\_ ("Constituent") and FRIENDS FIDUCIARY CORPORATION ("Fiduciary"), a Pennsylvania nonprofit corporation.

### TERMS OF AGREEMENT

As authorized by a minute attached hereto which has been adopted by Constituent's governing body, the Constituent has transferred or may from time to time wish to transfer certain funds and/or securities to Fiduciary for investment, and Fiduciary may be willing to invest then in accordance with the terms of this Agreement (such funds and securities, if so accepted, the "Funds").

Intending to be legally bound, the parties agree as follows:

1. The Funds. Fiduciary agrees to invest the Funds and to pay the Income from the Funds to Constituent at least semi-annually. "Income" for purposes of this Agreement shall be determined in accordance with applicable law by Fiduciary, in its sole discretion. Constituent may withdraw all or part of the Funds by written request to Fiduciary, subject to certain timing and valuation requirements. Notwithstanding anything to the contrary in this Agreement, Constituent agrees that the policies and procedures of Fiduciary, as amended from time to time, shall be an integral part of this Agreement. Constituent acknowledges receipt of the policies and procedures existing on the date hereof, consisting of (a) "Investing in FFC Consolidated Fund" and (b) the "Friends Fiduciary Corporation Investment Philosophy and Guidance."

2. Investment Authority of Fiduciary.

(a) Fiduciary shall have complete authority to invest the Funds as it sees fit in its sole discretion and to make purchases and sales of securities in which the Funds are invested (the "Investments") without notice to Constituent except as provided in the annual report (see Section 7).

(b) Fiduciary shall not be limited to any particular type of investments, and is expressly authorized to invest the Funds by means of participation in Fiduciary's Consolidated Fund.

(c) Constituent acknowledges Fiduciary's investment policies, including social responsibility guidelines, and that the Investments shall be managed in accordance with these guidelines as presently in effect and as Fiduciary may change them in the future from time to time without notice to Constituent.

3. Use of Agents. Fiduciary may fulfill its responsibilities through and rely upon investment advisors and managers, accountants, attorneys, brokers, dealers, custodians and other agents ("Agents"). One or more of the Agents may be directors, officers or employees of Fiduciary ("Agent Affiliates"). The compensation of any Agent shall be made in Fiduciary's sole discretion, and such compensation shall be made from the Funds and may not necessarily be the lowest possible.

4. Other Activities of Fiduciary.

(a) Fiduciary's investment decisions with respect to the Funds may or may not be the same as investment decisions made for the other Fiduciary constituents or trusts of which Fiduciary is trustee.

(b) Nothing in this Agreement shall in any way limit or restrict any Agent Affiliate from trading in securities for its own account or shall impose any obligation to acquire or sell for Constituent any security acquired or sold for the account of any other Fiduciary Constituent, any trust, any Agent Affiliate or any client of any Agent Affiliate.

5. Responsibility and Indemnification of Fiduciary.

(a) Constituent acknowledges that (i) Fiduciary is a non-profit corporation, does not receive in return for its activities any sum other than as necessary to cover expenses, and is not a registered investment advisor under the Investment Advisors Act of 1940, (ii) Fiduciary has and is expected to have for its own account few if any assets, (iii) assets of Fiduciary's other constituents, whether held by Fiduciary in trust or delivered into the custody of Fiduciary or its Agents, are not subject to any claim against Fiduciary by Constituent, and (iv) there shall be no recourse against assets, if any, of Fiduciary or any Agent Affiliate in connection with this Agreement.

(b) For purposes of this Agreement:

(i) "Indemnitees" shall mean all directors, officers and employees of Fiduciary (including Agent Affiliates to the extent acting in their capacities as directors, officers and employees of Fiduciary), and Philadelphia Yearly Meeting of Friends and each of its officers and employees.

(ii) "Losses" shall mean all losses, claims, damages, costs (including legal fees) and other obligations and liabilities.

(c) Constituent agrees, jointly and severally with all other constituents, to indemnify and defend each Indemnitee against any and all Losses in any way related to the Funds, the Investments or this Agreement or any action taken or omitted by Fiduciary or any other Indemnitee, before or after the date hereof, WHETHER OR NOT INVOLVING THE NEGLIGENCE OF FIDUCIARY OR ANY INDEMNITEE, including without limitation any and all suits, allegations, litigation and other claims in connection with the Funds, the Investments or this Agreement brought by other constituents or third parties;

except only that an Indemnitee may be held liable for gross negligence or willful misconduct, as established by a final, non-appealable order of a court of competent jurisdiction.

(d) Constituent hereby releases Fiduciary and each Indemnitee from any and all Losses in any way related to the Funds, the Investments or this Agreement or any action taken or omitted by Fiduciary or any Indemnitee, before or after the date hereof, **WHETHER OR NOT INVOLVING THE NEGLIGENCE OF FIDUCIARY OR ANY OTHER INDEMNITEE**, including without limitation any loss in the value of Investments or failure to increase the value of Investments or any reduction in or failure to increase the amount of Income, resulting from errors in judgment or otherwise;

except only that Fiduciary or an Indemnitee may be held liable for the gross negligence or willful misconduct, as established by a final, non-appealable order of a court of competent jurisdiction.

(e) If Constituent might reasonably be expected to have liability to an Indemnitee but the amount thereof has not been established, Fiduciary may retain a specific reserve out of the Funds and distributions otherwise payable under this Agreement, but only to the extent of Fiduciary's reasonable estimate of the liability, and only until such liability (if any) shall have been paid.

(f) The obligations of Constituent under this Section and Section 6 shall survive indefinitely the termination of this Agreement; provided that, Constituent shall have no indemnification liability as to Losses arising wholly out of events occurring after termination of this Agreement or before Constituent first invested Funds with Fiduciary.

6. Reimbursements of Fiduciary. Fiduciary shall be entitled to reimbursement of its costs (such as fees of brokers, investment advisors and managers, custodians and attorneys, and administrative costs) expended in fulfilling its duties, and such amounts shall include the reasonable cost of maintaining reserves against liability claims and unanticipated cost increases. Reimbursement of such costs will normally be made by deduction from Income before payment of Income is made, but may be made out of the Funds, and shall normally be allocated pro rata in Fiduciary's reasonable discretion among the Funds and other funds under Fiduciary's management, but costs relating only to the Constituent shall be payable solely from the Funds or Income.

7. Reports of Fiduciary. Fiduciary shall deliver to Constituent the annual report on the Consolidated Fund, in the form delivered to the other Fiduciary constituents.

8. Termination. This Agreement shall continue in effect until one party gives the other thirty (30) days prior written notice of termination, subject to Sections 5 and 6, and to Fiduciary's right to retain Funds in an amount and for a time reasonably necessary to cover amounts potentially due hereunder.

9. Other Provisions.

(a) This Agreement, including the attached policies, contains the entire agreement of the parties, and may be modified only by Fiduciary upon thirty (30) days prior written notice in writing given to Constituent.

(b) This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties. Notwithstanding anything to the contrary contained in

this Agreement, (i) Constituent may not assign rights (including rights to Income) under this Agreement, as collateral or otherwise, without Fiduciary's prior written consent, and (ii) there shall be no third party beneficiaries of this Agreement, and (iii) the indemnities herein may not be enforced except by the Indemnitees and their heirs, executors and personal representatives.

(c) This Agreement shall be governed by, and construed in accordance with, the laws of the Commonwealth of Pennsylvania (without regard to principles of conflicts of laws).

(d) Should any part of this Agreement be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity and enforceability of the remaining portions.

(e) Fiduciary represents that it will not accept or hold Funds for investment from or for any person or entity which is not subject to this Agreement as a "Constituent."

IN WITNESS WHEREOF, the undersigned have signed this Agreement by a duly authorized officer as of the day and year first above written.

FRIENDS FIDUCIARY CORPORATION

CONSTITUENT:

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

Address:  
\_\_\_\_\_  
\_\_\_\_\_

Organization/Meeting Tax Id #:  
\_\_\_\_\_

Contact Person:  
\_\_\_\_\_  
Telephone: \_\_\_\_\_  
Email: \_\_\_\_\_

**Attachments:**

- \_\_\_\_\_ *List of Directors, officers and/or trustees*
- \_\_\_\_\_ *Authorizing Minutes*
- \_\_\_\_\_ *Consolidated Fund Information Sheet*

**Return signed agreement to: Friends Fiduciary Corporation,  
Attn: Executive Director, 1650 Arch Street, Suite 1904, Philadelphia, PA 19103  
(p) 215-241-7272**

# Friends Fiduciary Consolidated Fund Information

Date: \_\_\_\_\_ Name of Organization/Meeting: \_\_\_\_\_  
*( Master Name for the Fund)*

Tax ID/EIN # \_\_\_\_\_ *(If none or under a Yearly Meeting, please indicate so)*

Sub-Account Name(s)  
*(should be different than Master)*

Distribution Instructions  
*(Reinvest, Distribute, Other-specify)*


**The person serving as \_\_\_\_\_ (treasurer, clerk, etc.)  
is authorized to act on our accounts. We will notify FFC whenever there is a  
change to the person serving in this position. The current person is:**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone/Email: \_\_\_\_\_

Consolidated Fund Newsletter? **Snail or Electronic**

Would this person like to receive periodic CF email updates? **Yes or No**

**Quarterly Statements and Distribution Statements should also be sent to:**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone/Email: \_\_\_\_\_

Consolidated Fund Newsletter? **Snail or Electronic**

Would this person like to receive periodic CF email updates? **Yes or No**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone/Email: \_\_\_\_\_

Consolidated Fund Newsletter? **Snail or Electronic**

Would this person like to receive periodic CF email updates? **Yes or No**

Authorization/Submitted by (name, title and phone):

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**Direct Deposit Authorization**  
**For Friends Fiduciary Corporation**  
**Consolidated Fund Semi-Annual Income Distribution**

\_\_\_\_\_ (Meeting/Organization Name) hereby authorizes Friends Fiduciary Corporation to initiate credit entries and to initiate, if necessary, debit entries and adjustments for any credit entries made in error to our account indicated below at the depository named below.

Organization Name as it appears on Bank Account \_\_\_\_\_

Bank/Depository Name \_\_\_\_\_

ACH Credit Routing No. \_\_\_\_\_\*

\*Please confirm with your Bank/Depository – This number can be different from the number printed on your checks or deposit slips.

Account Type: \_\_\_\_\_ Checking or \_\_\_\_\_ Savings

Account No. \_\_\_\_\_

This authority is to remain in full force and effect until FFC has received written notification of its termination or change in such time and in such manner as to afford FFC and the Bank/Depository a reasonable opportunity to act on it.

Name \_\_\_\_\_ (authorized signer for FFC account)

Signature \_\_\_\_\_

Title \_\_\_\_\_

Name of Meeting/Organization \_\_\_\_\_

Date \_\_\_\_\_

*Questions contact Friends Fiduciary Corporation*  
*1650 Arch Street, Suite 1904, Philadelphia, PA 19103*  
*215-241-7272 Phone, 215-241-7871 Fax*  
*info@friendsfiduciary.org*