

Date: July 10, 2009
Author: Fetzer Memorial Trust
Category: Trust Histories

**REFORMED AND RESTATED JOHN E. FETZER TRUST AGREEMENT FOR
THE CREATION OF THE JOHN E. FETZER MEMORIAL TRUST FUND**

This Reformed and Restated John E. Fetzer Trust For The Creation Of The John E. Fetzer Memorial Trust Fund , is dated on this _____ day of _____, 2009, effective _____.

WITNESSETH:

WHEREAS, John E. Fetzer, as Settlor, executed the John E. Fetzer Revocable Trust Agreement dated September 27, 1990 (“Revocable Trust”);

WHEREAS, The Trust became irrevocable upon the death of John E. Fetzer;

WHEREAS, Article III, Paragraph 12 of the Trust established the John E. Fetzer Memorial Trust Fund (“Fetzer Memorial Trust”), which Fetzer Memorial Trust was irrevocably and absolutely established upon the death of John E. Fetzer;

WHEREAS, Said Fetzer Memorial Trust was funded with the residue of all assets of the Trust;

WHEREAS, Said Fetzer Memorial Trust was created to be operated exclusively for religious, charitable, scientific, literary or educational purposes;

WHEREAS, The bequest to the Inner Light Ministries, pursuant to the terms of said Fetzer Memorial Trust, have been satisfied;

WHEREAS, Pursuant to the terms of the Trust, said Fetzer Memorial Trust was to continue for a period of twenty (20) years from and after the death of John E. Fetzer;

WHEREAS, Said Fetzer Memorial Trust was incorporated as a domestic nonprofit trustee corporation under the laws of the State of Michigan based upon the terms of the Trust;

WHEREAS, Questions of interpretation regarding the duration and terms of the Fetzer Memorial Trust have been raised;

WHEREAS, There are certain inconsistencies of language and meaning within said Fetzer Memorial Trust; and

WHEREAS, The Trustees of the Fetzer Memorial Trust believe that the purpose of the Trust has not been fulfilled and desire to extend the term of the Fetzer Memorial Trust's existence.

NOW THEREFORE, the Trustees of the John E. Fetzer Trust for the Creation of the John E. Fetzer Memorial Trust Fund do hereby reform and restate said Fetzer Memorial Trust as follows:

ARTICLE I – DEFINITIONS:

For purposes of the Reformed and Restated Trust John E. Fetzer Trust For The Creation Of The John E. Fetzer Memorial Trust Fund (“Reformed Trust”) certain terms as used herein have the following meanings:

A. “TRUSTEE” refers to an individual who (at the relevant time of inquiry) possesses the powers, duties and responsibilities of administering this Reformed Trust. When two or more TRUSTEES are serving together, any fiduciary decisions may be implemented by the determination of a majority of the TRUSTEES then acting.

Any TRUSTEE dissenting from any action or decisions made by the majority of the TRUSTEES then acting shall not be held liable or responsible for any action taken or decision made to the contrary.

Any TRUSTEE may delegate from time to time to any other TRUSTEE any or all of his or her powers, duties and discretionary authority as TRUSTEE during a temporary vacation period or other temporary absence from the state in which the Reformed Trust is being administered. Such delegation of power must be made in writing (“Instrument of Delegation”) signed by the TRUSTEE and delivered to the delegate or delegates. The Instrument of Delegation shall specify the powers, duties and discretionary authority delegated, and shall remain in effect for the time specified therein or until any earlier revocation by another writing similarly delivered. Notwithstanding the foregoing, a TRUSTEE may not delegate any power, duty or discretionary authority vested exclusively in such TRUSTEE, and in no event may a TRUSTEE delegate any power, duty or discretionary authority which is expressly conferred only upon such TRUSTEE.

B. “INTERNAL REVENUE CODE” refers to the Internal Revenue Code of 1986, as amended.

C. “TRUST ESTATE” refers to all property of whatever kind and nature which comprises the principal of the Fetzer Memorial Trust established hereunder.

ARTICLE II – TRUSTEES

A. Current Trustees. At inception, the original Trustees, as nominated by John E. Fetzer, shall continue as trustees and they are as follows:

1. Robert F. Lehman

2. Bruce F. Fetzer
3. Thomas J. Beaver
4. Louis G. Leeburg
5. Michael C. Gergely

At the first meeting of the Trustees after the execution of the Reformed Trust is ordered by the court, the founder trustees, shall, by lot, determine whether his initial term is for a period of one (1), two (2) or three (3) years. Said terms shall constitute staggered classes to be known as Class A (three year term), Class B (two year term) and Class C (one year term) trustees. Any trustee elected to any of the aforesaid classes at any subsequent election shall serve for a term of three (3) years, provided however, there shall be no more than three (3) trustees in any one class.

Robert F. Lehman, as nominated by John E. Fetzer, shall act as President and Chairman of the Trustees. Mr. Lehman shall serve a term of one (1) year as President and Chairman or until his successor is duly elected and authorized. The Chairman shall convene meetings of the Trustees as shall be necessary to carry out the provisions of this Reformed Trust, but at least on a quarterly basis, and shall maintain and secure all documents, accounts assets and papers of the Reformed Trust.

B. Number of Trustees. The current number of Trustees is five (5). At any time and from time to time, the then acting Trustees may increase their number to be a number of Trustees not to exceed nine (9). In no event shall the number of Trustees be fewer than five (5) Trustees.

Trustees, added either to increase the number of Trustees to nine (9), or reelect a current trustee, or appoint as a successor Trustee due to the death, resignation or incapacity of a current Trustee, may be nominated by the Board of Trustees of The John E. Fetzer Institute Inc. (“Fetzer Institute”); provided, however, there shall be no legal obligation for the remaining Trustees to the Fetzer Memorial Trust to elect such nominee. The Trustees of the Reformed Trust may continue to nominate and elect trustees for the Board of Trustees of the Reformed Trust.

C. Resignation of Trustee. Any Trustee may resign upon thirty (30) days prior written notice to the Chairman of the Trustees. In the event that the resigning Trustee is the Chairman of the Trustees, then said Trustee shall deliver written notice to any remaining Trustee. Any individual Trustee who has become legally incapacitated shall be deemed to have resigned.

D. Election of Successor Trustee. In the event that any Trustee should die, become legally incapacitated or otherwise cease to act as a Trustee prior to the end of his or her term, the remaining Trustees may elect a successor Trustee as may be necessary to maintain the number of Trustees at not fewer than five (5) nor more than nine (9) individuals.

In the event that the Chairman of the Trustees shall cease to act as a Trustee prior to the end of his or her term, the remaining Trustees shall elect a successor Chairman of the Trustees from among the then acting Trustees to fulfill the remainder of the resigning Chairman’s term and may elect a successor Trustee as may be necessary to maintain the

number of Trustees at not fewer than five (5) nor more than nine (9) individuals, as the case may be.

E. Legal Advisor. The legal advisor, as nominated by John E. Fetzer is Michael C. Gergely. Mr. Gergely shall serve a term of one (1) year as Legal Advisor or until his successor is duly elected and authorized. The Legal Advisor shall advise the Trustees of the Reformed Trust on all legal services to the Reformed Trust, including, but not limited to the necessary legal services required with respect to carrying out the directives of the Reformed Trust, employment of such additional attorneys as are deemed necessary and legal fee arrangements. Trustees shall pay all legal fees with the concurrence of said Legal Advisor.

ARTICLE III- TRUSTEE POWERS

Except as otherwise provided herein or by statute, Trustees shall hold, manage, administer, invest, reinvest and otherwise deal with the trust estate. Notwithstanding any duties, rights, powers, privileges or authority granted by this Reformed Trust, statute or rule of law, the Trustees shall have the following powers and authority, which shall be broadly construed and exercised only in a fiduciary capacity. The following duties, rights, powers, privileges, and authority are illustrative and shall not restrict such duties, rights, powers, privileges and authority which may be exercised by a Trustee pursuant to Michigan statute or rule of law or as imposed by the Internal Revenue Code, its regulations or related law.

(a) To accept and retain in the form received and for such time as Trustee may deem advisable all property or undivided interests in property received or acquired as part of the trust estate, including Trustee's own securities, without regard to any risk, lack of diversification or non-

productivity, and whether or not such property may be regarded or prescribed by any statute, rule of law, or otherwise as being a proper investment for Trustees.

(b) To invest and reinvest all or any assets of the trust estate, including the proceeds from the disposition thereof, in any property, real, personal or mixed, and any undivided interests in property, wherever located, including but limited to any and all savings or other cash accounts or funds, corporate obligations and common and preferred stocks, options (covered or uncovered) to buy or sell stocks or other corporate obligations or other property, interests in partnerships (either limited or general) real property (including oil, gas or other mineral properties, leases, royalties, interests or rights for exploration and removal of such minerals, or any portion or interest thereof), interests in common trust funds or mutual funds, insurance contracts on the life of any beneficiary or annuity contracts for any beneficiary, as Trustee deems advisable (including, without intending to be comprehensive or to preclude any investments not listed, investments in commodities, precious metals, works of art, antiques, coins and currency, jewelry, stamps, books, heavy equipment, breeding animals, future contracts, spot contracts and short and long contracts), whether or not such property may be regarded or prescribed by any statute, rule of law or otherwise as being proper investment for trustees and whether or not such property is productive at the time of investment; and to receive the monies, interest, dividends, profits and other income arising from such property; to establish, maintain and terminate brokerage accounts for the investment and reinvestment of any such property.

(c) To hold, improve, develop, plat, subdivide, construct, manage, repair, maintain, preserve, demolish, operate, lease (as lessor or lessee, for any length of time irrespective of the terms of the trust created hereunder, with or without any option for renewal, and for any purpose), mortgage, pledge, grant security interests in, partition, create restrictions, easements and other servitudes, dedicate to public use (with or without consideration), option, sell, exchange, convey, transfer, assign, surrender, abandon or otherwise dispose of or deal with any property, real or personal, constituting a part of the trust estate, or any part thereof or interest therein, including reinvestments, at such time or times and upon such terms and conditions (including dispositions for cash and/or deferred payments), by private contract or public auction, with or without security, as in the sole and absolute discretion of Trustee may be deemed advisable.

(d) To keep all or any portion of the trust estate in cash and uninvested for such period or periods of time as Trustee may, from time to time, deem to be in the best interest of the trust and the beneficiaries under

this Reformed Trust, without liability for interest or any loss of income by reason thereof.

(e) To vote, in person or by proxy, on all matters with respect to any and all stock, securities, interests in joint ventures or general or limited partnerships or other investments of the trust estate at all meetings of shareholders or other owners; to oppose, consent to, abstain from or otherwise participate in any voting trust, pooling agreement, foreclosure, reorganization, consolidation, merger, liquidation, financing, refinancing, or sale of assets, of any corporation, joint venture, partnership or organization, whose stock, securities or other interests shall be a part of the trust estate, and in connection therewith to deposit stock, securities or other property with any committee and to delegate discretionary power to such committee, to accept and retain new stock, securities or other property received by Trustee pursuant to any plan or agreement, to exercise all conversion, subscription, voting, and other rights, of whatever nature pertaining to such stock, securities, other interests or property, and to pay any contributions, charges, assessments, or other amounts as Trustee may deem advisable in connection therewith; and in general to exercise all the rights, powers and privileges of an owner with respect to any stock, securities, interests in joint ventures or general or limited partnerships or other investments of the trust estate.

(f) To exercise any right, option or privilege to convert bonds, notes, debentures, stocks or other securities of the trust estate into other bonds, notes, debentures, stocks or other securities; to exercise any right or privilege to subscribe for additional or other bonds, notes, debentures, stocks or other securities; to make such conversion or subscription, to make payments thereof, and to advance or borrow money for the purpose of exercising such option, privilege or right; and to retain such bonds, notes, debenture, stocks and other securities so acquired as investment of the trust estate whether or not the same may be regarded or prescribed by any statute, rule of law or otherwise as being proper investments for trustees.

(g) To borrow or raise money on behalf of the trust created hereunder (including the purchase of stock, securities or other property on margin) or to advance money to such trust for the purpose of the trust created hereunder (including, without limitation, for the protection of the trust assets or for expenses, losses or liabilities sustained in the administration of such trust), in such amounts, for such terms (whether or not extending beyond the term of such trust) and upon such conditions as Trustee shall deem advisable; to execute as Trustee promissory note or other obligations for any amounts borrowed or advanced; to secure the repayment thereof by the mortgage, assignment, pledge, hypothecation, or

grant of any other security interests of all, or any part, of the assets of the trust estate; and to guaranty (on an unsecured or secured basis) the payment (in full or in part) of any borrowings; and no person lending money to Trustee shall be bound to see to the application of the money lent or to inquire into the validity, expediency or propriety of any such borrowing.

(h) To make, execute, acknowledge, and deliver any and all bills of sale, deeds, leases, mortgages, deeds of trust, assignments, conveyances, agreements, contracts, waivers, ratifications, confirmations, releases, and any and all other instruments that may be necessary or appropriate to carry out the powers granted herein or any disposition whatsoever or any property of the trust estate. Any purchasers and other persons who loan or otherwise pay any monies to Trustee shall be exempt from all responsibility with respect to the application of the same and from the necessity of inquiring into the regularity, validity or propriety of any borrowing or any disposition made or purported to be made under this Reformed Trust or pursuant to any powers contained in this Reformed Trust.

(i) To insure the assets of the trust estate against any damage or loss whatsoever and insure Trustee in the capacity of Trustee against liability with respect to third persons; to extend, renew, modify, consolidate, settle, compromise or submit to arbitration any claims, debts, charges, expenses, causes of action or damages due or owing to or from the trust estate; to commence or defend suits and legal and administrative proceedings; and to represent the trust created hereunder in all suits and legal and administrative proceedings.

(j) Except as otherwise expressly provided under this Reformed Trust, to determine in each and every case what is income and what is principal; to allocate and apportion all receipts and disbursements (or portions thereof) between income and principal, including but not limited to expenses incurred by Trustee in the administration or protection of this Reformed Trust (such as compensation of Trustee), property taxes, assessments, fees and charges, all of which shall be a charge upon the trust estate and shall be paid by Trustee prior to the final distribution of the trust property; to allocate and apportion, as between income and principal, depreciation, amortization, depletion, and similar charges, in such amounts and in such manner as shall be deemed fair and equitable by Trustee; to charge any administration expense, including but not limited to any income tax liability attributable to the sale of an appreciated asset or any expense incurred in determining the adjusted basis for income tax purposes of any asset, against any trust or portion hereof or any specific distribution as Trustee deems fair and equitable; and the determination of Trustee with

respect to all such matters shall be conclusive upon all persons interested in the trust created hereunder.

(k) To employ attorneys, accountants, investment advisors, brokers, investment and mortgage bankers and other counsel to assist and advise in the investment, management, preservation and administration of the trust estate, and to pay reasonable compensation therefore, which compensation shall be charged against income and/or principal in such manner as Trustee shall deem just and equitable. Trustee shall not be liable for any neglect, omission, or default of any such counsel provided such counsel was selected and retained with reasonable care.

(l) If, at any time, there is no corporate Trustee hereunder, to employ any bank, savings and loan association, trust company or brokerage firm as custodian or agent for convenience of administration, to deposit any property at any time held in trust with such bank, savings and loan association, trust company or brokerage firm and to cause such property to be registered in its name or that of its nominee without disclosure of the trust, and to authorize such bank, saving and loan association, trust company or brokerage firm to collect and receive the income therefrom and to make payments out of principal or income of the custodian fees and charges; and, if there is a corporate Trustee hereunder, such Trustee shall have the entire care and custody of all assets of the trust estate and shall keep said assets with the same care as given to other property held by it in a fiduciary capacity.

(m) To hold any securities or other property in the name of Trustee or in the name of a nominee or nominees of Trustee without words indicating the trust or nominee relationship, and to hold any such property in bearer form; provided, however, that the books and records of Trustee shall at all times show that all such investments are part of the trust estate, and that notwithstanding anything contained herein to the contrary, Trustee shall be liable for the acts or omissions of such nominee or nominees as if such acts or omissions constituted Trustee's own acts or omissions.

(n) To construe this Reformed Trust, and any action taken relying upon any such construction shall fully protect Trustee, even though it may be subsequently determined that such construction was erroneous. In any proceeding involving the construction, operation or other legal effect of this Reformed Trust, the then living beneficiaries shall represent all unknown or undetermined beneficiaries, and any order, judgment or decree rendered in such proceeding shall be binding, not only upon such persons, but also upon all unknown and undetermined beneficiaries.

(o) To purchase at fair market value and hold any asset or assets from Settlor's estate, and to make loans to Settlor's estate, with or without interest and/or security at any time and from time to time for any purpose. The propriety of any such purchase or loan, the amount, type or class of assets purchased or loans made, and the determination of fair market value shall be solely within the discretion of Trustee, and Trustee shall not incur any responsibility or liability as a result of any such purchase or loan, whether or not any such asset or loan constitutes an investment which may be legally made by Trustee under any statute, rule of law or otherwise.

(p) To make or exercise any election, option or choice afforded Trustee under the Internal Revenue Code or any other tax related statute, law or ordinance which in Trustee's sole and absolute discretion Trustee believes to be in the best interests of the Reformed Trust and beneficiaries hereunder. Trustee shall not be accountable or responsible to any person for the manner in which Trustee exercises this provision (including any decision to not incur the expense of any detailed analysis of alternate choices), and no adjustment between any trust or beneficiaries shall be required to compensate for differences in tax benefits or costs accruing as a result of any such action or failure to act.

(q) To make any distribution from the trust estate in cash or in kind, or mixed, to take into account the income tax bases of such assets as Trustee shall determine, and to allot specific securities or other property or any undivided interest therein to any beneficiary; and for the purpose of any such distribution or allotment, the judgment of Trustee concerning the propriety thereof and/or the relative value thereof shall be final and conclusive upon all interested persons, and no adjustment between any individual or group of trusts or beneficiaries shall be required to compensate for differences in income tax bases of distributed assets or property or in tax benefits or costs resulting from any such distribution or allotment.

(r) To budget the estimated annual income and expenses of the Reformed Trust created hereunder in such manner as to equalize, as far as practical, periodic income payments, if any, to the beneficiary of the trust.

(s) To retain any general or limited partnership interests, any interests in joint ventures or similar entities, or any capital stock, bonds, debentures, or other securities in any corporations wholly or partially owned or controlled by Settlor; to engage in any actions or transactions with or on behalf of such business enterprises as Trustee is permitted to engage in with or on behalf of the trust estate (including without limitation, guarantying any obligations of such business enterprises); to vote for

Trustee in any such election for general or managing partner in any such partnerships or for directors and officers of any such corporations at such compensation and on such other terms and conditions as the requisite vote of such partnerships or the board of directors of such corporations shall determine; and to manage or be employed by or otherwise conduct such business enterprises.

(t) To exercise all of the foregoing powers and authority notwithstanding any contemporaneous interest or interests of Trustee in Trustee's individual or fiduciary capacity, or of any employee of Trustee, as owner, partner, shareholder, director, officer, employee, creditor or otherwise, in any property, real or personal, or in any business entity in which the trust estate is also interested or in which Trustee shall determine to invest all or any part of the trust estate, or in any firm or corporation which Trustee may employ to counsel, assist and advise in the management and administration of the trusts created hereunder; and in any such event, Trustee shall not be held to any higher standard of duty than if such Trustee or employee were not so interested.

(u) To do all other acts and things whatsoever that an owner of any such property could do and perform in his own right as Trustee shall deem to be for the best interests of the trust hereunder and the beneficiaries thereof.

(v) Trustee shall not have or exercise any power or authority which would jeopardize or cause a disallowance of the charitable deduction.

(w) To execute any and all documents necessary or required to incorporate, restate, amend, revise or modify the articles of incorporation, including but not limited to, the extension of the term of existence of a corporation.

ARTICLE IV – PURPOSE

A. The purposes for which the Fetzer Memorial Trust has been created include the following:

1. Preservation of the legacy and vision of John E. Fetzer through exploration and fostering the spiritual foundations of that vision, which is, "to awaken into and serve Spirit for the transformation of self and society," through direct charitable activities and collaboration with The John E. Fetzer Institute, Inc., as well as funding grants to private

foundations and public charities, by which the Fetzer Memorial Trust provides complementary programs and support of that vision.

2. Operation and action exclusively for charitable, educational, religious, literary or scientific purposes and/or to lessen the financial burdens of government by carrying out a grant-making program in support of other tax-exempt organizations;

3. Receipt and administration of assets exclusively for charitable, educational, religious, literary or scientific purposes, and/or to lessen the financial burdens of government by carrying out a grant-making program in support of other tax-exempt organizations;

4. Action consistent with the goals and objectives of the John E. Fetzer Institute, Inc.

5. Maintain any and all such activities and exercise any and all such powers as are necessary for the achievement of the foregoing and in furtherance of the purposes of the Fetzer Memorial Trust and consistent with the John E. Fetzer Memorial Trust Fund, a Michigan nonprofit corporation ("Fetzer Memorial Fund").

B. The Fetzer Memorial Trust shall not carry on any activity not permitted to be carried on (i) by an organization which is described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent Federal tax laws (the "Code"), and which is exempt from Federal income tax under Section 501(a) of the Code, (ii) by an organization, contributions to which are deductible under Section 170(c)(2) of the Code, or (iii) by a nonprofit corporation organized under the laws of the State of Michigan pursuant to the provisions of Act 162, Public Acts of 1982, as amended.

C. The Fetzer Memorial Trust shall not carry on propaganda or otherwise attempt to influence legislation.

D. The Fetzer Memorial Trust shall not participate in or intervene in

(including the publishing or distribution of statements) any political campaign on behalf of or against any candidate for public office.

E. No substantial part of the activities of the Fetzer Memorial Trust shall consist of providing commercial-type insurance.

F. No part of the net earnings of the Fetzer Memorial Trust shall inure to the benefit of any private individual.

G. Upon approval of the settlement agreement and entry of a court order approving the Reformed and Restated John E. Fetzer Trust for the creation of the John E. Fetzer Memorial Trust Fund, the Fetzer Memorial Fund, a combined Michigan nonprofit corporation and “trustee corporation”, shall cease to be a trustee corporation and shall henceforth become governed solely and exclusively by the Michigan Nonprofit Corporation Act as it exists today or shall be amended, modified, repealed or replaced. The resulting Michigan nonprofit director corporation shall be a continuation of the existing Fetzer Memorial Trust Fund.

H. Upon the signing of the Reformed and Restated John E. Fetzer Trust for the Creation of the John E. Fetzer Memorial Trust Fund, and as soon as practical after the filing of the Restated Articles of Incorporation, the Fetzer Memorial Trust shall terminate and the assets not heretofore transferred to the Fetzer Memorial Fund shall be transferred to that Corporation.

I. The Trustees of the Fetzer Memorial Trust are specifically authorized to operate and complete all actions as may be required to amend the Articles of Incorporation of the Fetzer Memorial Fund. Moreover, the Director (also known as

Trustees) of said Michigan nonprofit corporation may amend its Articles of Incorporation, from time to time, as law or circumstances may deem appropriate: provided, however, that those Directors may not amend said Articles to alter the purposes of the Fetzer Memorial Fund, and they may not extend the term of the Corporation beyond December 31, 2020, without the written consent, in recordable form, of the Trustees of The John E. Fetzer Institute, Inc.

ARTICLE V – CORPORATE BENEFICIARY AND DISTRIBUTIONS

A. The Trustees shall be empowered to transfer and convey funds from the Corporation to the Institute as the sole beneficiary of the Corporation.

B. The Corporation and Institute may enter into agreements creating latitude within the Corporation to implement programs or series of programs consistent with mutually agreed upon purposes, and further to transfer and convey funds from the Corporation to any private foundation or public charity consistent with such agreements.

C. Except as provided in Article V, Paragraphs B and C, the Trustee shall be empowered to transfer and convey funds from the Fetzer Memorial Trust to any private foundation or public charity, including the John E. Fetzer Institute, Inc., consistent with the purposes, goals and objectives of the Fetzer Memorial Trust and the John E. Fetzer Institute, Inc., and consistent with their mutual agreement.

D. Grants from the Fetzer Memorial Trust may be made in support of direct research, the Fetzer Franklin Fund and in support of such other activities consistent with the purposes, goals and objectives of the Fetzer Memorial Trust and the John E. Fetzer Institute, Inc.

