

**SECTION V**  
**PRECIOUS BLOOD DISCRETIONARY TRUST**

**THE PRECIOUS BLOOD DISCRETIONARY TRUST**

**A non-contributing discretionary trust to aid non-active members of the  
Congregation of Missionaries of the Precious Blood, Atlantic Province**

THIS DEED OF SETTLEMENT made in duplicate as of the 6<sup>th</sup> day of  
December, 2012.

**B E T W E E N:**

**THE CONGREGATION OF MISSIONARIES OF THE PRECIOUS  
BLOOD - ATLANTIC PROVINCE (A federally incorporated not-for-  
profit Corporation and an Order of the Catholic Church)**

**(The Settlor)**

**- and –**

**THE TRUSTEES OF THE PRECIOUS BLOOD DISCRETIONARY  
TRUST and their successors in office**

**(The Trustees)**

**WHEREAS** the Settlor has the responsibility of taking care of its members after they are no longer active, especially providing for room and board, medical related outlays, transportation, personal allowance and other expenses related to the well-being of non-active members

**AND WHEREAS** the Settlor, acting on decisions already taken its members in Assembly in 1969 and subsequent Assemblies to create a pool of funds to take care of

non-active members of the Settlor, wishes to establish a fund in order to help fulfill its responsibility as set out above

**AND WHEREAS** the Settlor wishes to create a trust for the benefit of its members as they become non-active members, and has transferred to the Trustees the sum of One Million Two Hundred Twenty Thousand (\$1,220,000.00) Dollars and may hereafter transfer, or cause to be transferred to the Trustees, additional moneys as deemed by the Trustees to be in keeping with the Settlor's responsibilities as set out above, all of which is to be held by the Trustees upon the trusts and with and subject to the terms, powers and provisions, as hereinafter declared and contained

**AND WHEREAS** the Trustees have agreed to accept and to hold and deal with the Settled Property in accordance with such trusts, terms, powers and provisions;

**NOW THEREFORE THIS DEED WITNESSES THAT** the Settlor and the Trustees hereby agree, acknowledge and declare that the Settled Property and all other properties that from time to time are included in the Trust Fund, as defined in this Deed, shall be held by the Trustees upon the following trusts:

## 1. INTERPRETATION

(a) In this Deed:

- (i) **"Accumulation Period"** means the period of twenty-one (21) years from the death of the Settlor;
  - (ii) **"Assembly"** means a meeting of the members of the Order convened according to the norms of the Provincial Statutes of the Order;
  - (iii) **"Beneficiaries"** at any time means the non-active members of the Congregation of the Missionaries of the Precious Blood - Atlantic Province and the Congregation of the Missionaries of the Precious Blood – Atlantic Province itself;
  - (iv) **"Order"** means either the Congregation of the Missionaries of the Precious Blood - Atlantic Province or the Missionaries of the Precious Blood – Atlantic Province.
  - (v) **"Trust"** means the trust established by this Deed as amended from time to time.
  - (vi) **"Trust Fund"** means the Settled Property and any other property, including any investments made by the Trustees, that may be held at any time by the Trustees pursuant to this Deed and any undistributed income from such property.
  - (vii) **"Perpetuity Date"** means the day that is the twentieth (20th) anniversary of the death of the last Beneficiary alive or existing on the date hereof to survive the Settlor;
  - (viii) **"person"** includes a corporation or trust as well as an individual
  - (ix) **"Trustees"** means the Trustees and their successors
- (b) Words and expressions in any particular gender shall include the other genders as the context may permit and the singular shall include the plural and *vice versa*.

## 2. OBJECT OF THE TRUST

The object of the Trust is to maintain the Trust Fund and to apply, from time to time, all or part thereof and the income earned therefrom for the benefit of non-active members of the Congregation of the Missionaries of the Precious Blood - Atlantic Province (hereinafter the “Congregation”) to help meet or supplement their cost of living needs, which include room and board, medical insurance, medical related, transportation and personal allowance.

## 3. TRUSTEES

The Trustees of the Trust shall be:

- (a) The Provincial Director of the Congregation (hereinafter the “Provincial Director”)
- (b) The Provincial Treasurer of the Congregation (hereinafter the “Provincial Treasurer”)

The above-named Trustees shall be trustees ex officio during their term of office and each shall immediately and automatically cease to be a Trustee upon ceasing to hold the named office and his successors shall immediately and automatically become a Trustee upon being appointed to such office;

- (c) An active member of the Congregation elected during an Assembly convened according to the norms of the Provincial Statutes of the Order who shall serve for a term of four years from the date of his election and shall have no limit on the number of terms of re-election.

The above-named Trustee shall cease to hold office when he dies, resigns, is removed from office by majority vote of the members of the Congregation at Assembly, ceases to be a member of the Congregation or is elected to such leadership positions which may prevent him from holding such office or is otherwise impeded from holding such office.

- (d) Two laypersons who are experts in fiscal and investment matters to be selected and appointed by the ex officio and elected Trustees and who shall serve for a term of four years from the date of their appointment. They shall have no limit on the number of terms of re-appointment.

The above-named Trustees shall cease to hold office when either of them dies, resigns, or is removed from office by the ex-officio and elected Trustees.

- (e) In the event of a vacancy in office of any elected or appointed Trustee, the remaining Trustees shall appoint a replacement to fill the unexpired term created by such vacancy, pursuant to the terms of this paragraph 3. With respect to the replacement of an elected Trustee appointed in this manner and the expiry of his term, the replacement shall be permitted to seek election at the next Assembly where such election forms part of the order of business of that Assembly.

#### **4. RESPONSIBILITIES OF THE TRUSTEES**

The Trustee shall be responsible for the administration of the Trust and their duties shall include interpreting and implementing the provisions of the Trust, the preparation of any separate rules and regulations which they may judge necessary to assist the administration of the Trust, the determination of how and when benefits shall be paid, the keeping of a detailed record and accounting for all receipts and disbursements, the determination of banking procedures, selecting an authorizing of investment counsel in reviewing and implementing such investment counsel's advice, overseeing the election of Trustees in performing such other duties as may be required for the proper administration of the Trust. The Trustees shall report to the beneficiaries at least annually.

#### **5. OFFICERS AND RESPONSIBILITIES**

There shall be two (2) officers among the Trustees: the Chairperson and the Secretary.

##### **(a) The Chairperson**

- shall be the executive officer of the Trust and shall at all times be the Provincial Treasurer.
- shall call and chair all meetings of the Trust and shall make deposits and issue payments from the funds as directed by the terms of the Trust.

##### **(b) The Secretary**

- shall be the elected Trustee.
- shall take the minutes of the meetings and shall maintain the records.

## **6. MEETINGS**

- (a) The Trustees shall meet two times in every year, once in July and once in January, and shall prepare a semi-annual report to be presented to the Provincial Director and the Beneficiaries. The Trustees shall prepare an end-of-the-year report which shall include a detailed account of all deposits and all payments from the Trust. Other meetings may be held as necessary.
- (b) The Trustees shall convene a meeting when any one particular investment comes to maturity for the purpose of evaluating and determining the re-investment of such matured investment.

## **7. INVESTMENTS BY TRUSTEES**

All monies from time to time comprising the Trust fund shall be held and invested by the Trustees in any investments which they in their absolute discretion consider advisable notwithstanding that such investments may be of a class not authorized by law for the investment of trust funds. While the selection of investments will be at the discretion of the Trustees, the Trustees shall ensure that all such investments shall be reasonable, prudent and sagacious under the circumstances and shall further ensure that any investment within the Trust shall not constitute, either directly or indirectly, a conflict of interest. At all times the Trustees shall adhere to the principles and guidelines of section VI of the *Provincial Norms and Guidelines (Investment Committee)*

## **8. PROFESSIONAL ADVICE**

The Trustees may employ such professional or other assistance as they deem necessary for the proper discharge of their duties, and may pay proper and reasonable compensation for such advice and assistance and may act on the opinion or advice of, or information obtained from, any solicitor, valuator, broker, accountant, actuary or other expert, but will not be bound act upon such information or advice.

## **9. DISCRETION OF TRUSTEES**

Every discretion or power hereby or by law conferred on the Trustees shall be an absolute and uncontrolled discretion or power and no Trustee shall be held personally liable for any loss or damage occurring as a result of the Trustee

concurring or refusing or failing to concur in an exercise of any such discretion or power. No Trustee shall be liable for any error of judgment or mistake of law or other mistake or for anything save the wilful misconduct or wilful breach of this Trust or fraud by such Trustee and each Trustee shall be held harmless against any claims, demands and losses arising in connection with the Trust.

## **10. DISTRIBUTION OF INCOME AND CAPITAL FROM THE TRUST**

(a) Other than the Congregation itself, a Beneficiary shall be eligible to receive payments hereunder immediately following acceptance by the Provincial Director and his council of his becoming a non-active member of the Order.

(b) During the duration of the Trust, the Trustees may pay or apply in their absolute and unfettered discretion so much of the income of the Trust Fund together with so much of the capital thereof to or for the benefit of any Beneficiary or Beneficiaries in such amounts (including, for greater certainty, the whole of such income and the whole of such capital) as the Beneficiaries may from time to time request, or as the Trustees shall from time to time in their unfettered discretion determine.

(c) Any income not so used in any year shall be added to the capital of the Trust and shall be dealt with as part thereof. Notwithstanding the discretion granted to the Trustees respecting distributions of trust income, in each year following the maximum period authorized by law for the Trustees to accumulate the net income derived from the capital of the Trust, the Trustees shall pay to any Beneficiary or Beneficiaries the whole of the net income derived in that year in the Trustees' absolute and unfettered discretion.

(d) Notwithstanding anything to the contrary hereinbefore contained, if, on the Perpetuity Date or on any date that the Trust is terminated or wound up, any income or capital remaining in the Trust remains undistributed, the Trustees shall pay the remaining income or capital in the Benefit Trust to either the Congregation or, with the approval of the Provincial Director, to a Catholic Charitable Organization or Foundation registered under the Income Tax Act of Canada in the sole, absolute and unfettered discretion of the Trustees.

(e) The Trustees, in exercising any of the powers conferred on them, are hereby expressly relieved of any duty to maintain an even hand among the

Beneficiaries, with the intent that the Trustees should have access in their absolute and unfettered discretion to the entire income and capital of the Trust for payments to or on behalf of any Beneficiary or Beneficiaries as they should in their absolute and unfettered discretion consider advisable.

(f) For greater certainty, neither the Trust nor any interest in it nor any income therefrom shall vest in the Beneficiaries and the only interest they shall have shall be in payments actually made to them, or on their behalf, and received by them.

(g) No part of the Trust Fund shall at any time be liable or subject in any manner whatsoever to the debts or liabilities of any Beneficiary who may receive payments therefrom; nor shall any part of the Trust Fund be liable to attachment by garnishment proceedings or other legal process issued by any creditor of any Beneficiary for such debts hereto for or hereafter contracted by such beneficiary; nor shall any assignment, conveyance, charge, encumbrance or order relating to any part of the Trust Fund given by any such Beneficiary be valid and the Trustees may in their discretion suspend or redirect payments of any Beneficiary in furtherance of the provisions of this paragraph.

## **11. AMENDMENTS**

Amendments to this trust may be made by the Trustees, subject to the approval of the Congregation.

## **12. NOTICES**

Any notice provided for herein shall be mailed by ordinary post to the addressee at his last known address and shall be deemed to have been received by the addressee on the fifth business day following mailing.

## **13. CANON LAW**

In interpreting the provisions of this trust, resort shall be had to Canon Law where appropriate.



#### **14. ASSENT OF ORIGINAL TRUSTEES**

The first Trustees shall, at the first meeting of Trustees, execute a copy of this Trust Deed to evidence that each agrees to assume the duties and obligations of the Trustees hereunder.

Signatures Page