

**CUSTODIAL DOCUMENT
POOLED INVESTMENT FUND OF THE
TRUSTEES OF THE DIOCESE OF MINNESOTA, INCORPORATED**

1. DEFINITIONS

Whenever used in this Agreement, the following words shall have the meanings set forth below:

1.1 **ACCOUNT:** The Account or Accounts established under this Agreement for the Property transferred to or held by Custodian on Principal's behalf. If more than one Account is established they shall be referred collectively as the Account.

1.2 **AGREEMENT:** The Custodial Agreement together with this Custodial Document.

1.3 **AUTHORIZED PERSON(S):** Shall be any person(s), duly authorized by Principal to give Oral and/or Written Instructions on behalf of Principal. Such person(s) shall be designated in a Certificate of Authorized Persons which contains a specimen signature of each such person(s). Principal shall be responsible for providing said Certificate to Custodian. In the event Custodian does not receive a Certificate of Authorized Persons from Principal, the Treasurer or Senior Warden of the Principal shall be deemed by Custodian to be Authorized Person(s).

1.4 **BOOK ENTRY SYSTEM:** Shall mean the Federal Reserve/Treasury Book-Entry System for receiving and delivering securities, its successors and nominees.

1.5 **BUSINESS DAY:** Shall mean any day on which Custodian, the Book-Entry System and relevant Depositories are open for business.

1.6 **DEPOSITORY:** Shall include the Depository Trust Company and any other securities depository or clearing agency (and their respective successors and nominees) registered with the Securities and Exchange Commission or otherwise authorized to act as a securities depository or clearing agency.

1.7 **ORAL INSTRUCTIONS:** Shall mean verbal instructions received by Custodian from an Authorized Person or from a person reasonably believed by Custodian to be an Authorized Person.

1.8 **PROPERTY:** Securities, negotiable instruments, cash and other similar assets and any income, distributions and proceeds thereof at any time delivered to or received by Custodian from or on behalf of Principal during the term of this Agreement.

1.9 **SECURITIES:** Shall include, without limitation, securities held in the Book-Entry System or at a Depository, common stock and other equity securities, bonds, debentures and other debt securities, notes and mortgages or other obligations and any instruments representing rights to receive, purchase, or subscribe for the same, or representing any other rights or interests therein.

1.10 **WRITTEN INSTRUCTIONS:** Shall mean any notice, instructions or other instruments in writing received by Custodian from an Authorized Person or from a person reasonably believed by Custodian to be an Authorized Person by letter, telecopy facsimile, or any other written method whereby Custodian is able to verify with a reasonable degree of certainty the identity of the sender of such communication.

1. **APPOINTMENT; PROCEDURES**

2.1 Principal appoints Custodian as custodian of all Property to be managed in the Pooled Investment Fund of the Trustees of the Diocese of Minnesota, Incorporated. Custodian accepts such appointment and agrees to establish and maintain one or more Account(s) in the name of Principal representing the Principal's pro-rata share in the commingled assets of the Pooled Investment Fund.

2.2 Principal hereby authorizes Custodian to utilize the Book-Entry System and Depositories in connection with the performance of services hereunder.

2.3 Principal's Account(s) will have its proportionate share of income, gains or losses, and expenses of the Pooled Investment Fund added or deducted from its Account(s) as of the end of each month.

2.4 Contributions received from Principal by the end of the last business day of a month will be credited to Principal's Account for that month and will receive a proportionate share of income, gains or losses, and expenses, beginning the following month.

2.5 Principal may withdraw all or a part of its Account(s) by providing Custodian written notice of its request. Withdrawal requests received by the end of the last business day of the month will be paid on the 1st day of the next month or as soon thereafter as practical. Amounts in excess of five hundred thousand dollars (\$500,000.00) may require advance notice of up to three (3) months, depending on the availability of funds. If a total withdrawal of an Account is requested, 80% will be paid initially and the balance paid as soon as practicable after the valuation is determined for the month in which the withdrawal occurs. The risk of investment loss between the date of request and the date of payment shall be borne by the Principal.

2.6 Principal may request that quarterly distributions be paid from its Account. Distributions are made on the last day of February, May, August and November. This request must be made in writing.

2.7 Custodian shall provide Principal with quarterly Account statements, showing income and expense allocations; contributions, withdrawals and distributions; and the ending account balance.

2.8 Custodian, or any entity authorized to hold the Property pursuant to this Agreement, may refer any order for the purchase or sale of Property to any broker, subagent or subcustodian of its choice. Custodian shall have no liability or responsibility for any error, negligence, action, or inaction of any Depository, Clearing Corporation, investment manager, broker, subagent or subcustodian or for any mutilations, interruptions, omissions, errors or delays occurring in the mail, or on the part of any telegraph, cable or other telecommunications system or by reason of any cause directly or indirectly, beyond its control, including without limitation acts of God, earthquakes, fires, floods, storms, wars, civil or military disturbances, sabotage, epidemics, riots, interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications service, accidents, labor disputes, acts of civil or military authority, governmental actions, inability to obtain labor, material, equipment or transportation.

2.9 All Property held hereunder may, at the sole discretion of Custodian, be registered in the name of Custodian or any entity authorized to hold Property or any nominee of the Custodian or any such authorized entity.

LIABILITY; RELIANCE

3.1 Principal acknowledges that investments in the Pooled Investment Fund are neither guaranteed nor insured, and that past performance results do not guarantee future investment results. The Pooled Investment Fund will fluctuate in return and in value. Principal's Account(s) may be worth more or less from time to time than its original cost.

3.2 Custodian's investment objectives for the Pooled Investment Fund are set forth in the Investment Guidelines attached hereto. Custodian may change the Pooled Investment Fund asset allocations and investment allocations and investment objectives as set forth under the Investment Guidelines without Principal's approval. Notification of any material changes will be communicated in writing to Principal.

3.3 Custodian shall be held harmless and indemnified by Principal against any and all costs, expenses, damages, liabilities and claims (including reasonable attorneys' fees) sustained or incurred by or assessed against Custodian with respect to the Account unless such costs, expenses, damages, liabilities, and claims arise from the gross negligence or willful misconduct of the Custodian. This provision will survive the term of this Agreement.

3.4 Custodian shall be entitled to rely upon any Written or Oral Instructions actually received by Custodian and reasonably believed by Custodian to be duly authorized and delivered. Principal agrees to forward to Custodian, Written Instructions confirming Oral Instructions by the close of business of the same day that such Oral Instructions are given to Custodian. Principal agrees that the fact that such confirming Written Instructions are not received or that contrary Written Instructions are received by Custodian shall in no way affect the validity or enforceability of transactions authorized by such Oral Instructions and effected by Custodian.

3.5 Custodian shall not have any duties or responsibilities to Principal or to any third party whatsoever, except such duties and responsibilities as are specifically set forth in this Agreement and no covenant or obligation shall be implied against Custodian in connection with this Agreement.

1. COMPENSATION

4.1 Custodian will receive a management fee of .25% per annum for Principal's Accounts. This is in addition to any fees charged by Depository, Clearing Corporation, investment manager, broker, subagent or subcustodian utilized by Custodian to hold and manage the Property of the Pooled Investment Fund.

1. TERMINATION

5.1 Either party may terminate this Agreement by giving to the other party notice in writing specifying the date of such termination. Distribution of Property in Principal's Account(s) will be made after such termination pursuant to Section 2.5 herein.

1. MISCELLANEOUS

6.1 Principal agrees to furnish to Custodian a new Certificate of Authorized Persons in the event of any change in the Authorized Persons. Until such new Certificate is received, Custodian shall be fully protected in acting upon Oral Instructions and Written Instructions of such present Authorized Persons specified in the current Certificate of Authorized Persons.

6.2 Any notice given or other instrument in writing, authorized or required by this Agreement to be given to Custodian, shall be sufficiently given if addressed to Custodian and received by it at its offices at The Episcopal Center, 1730 Clifton Place, Suite 201, Minneapolis, Minnesota 55403-3242 or such other places as Custodian may from time to time designate in writing.

6.3 Any notice or other instrument in writing, authorized or required by this Agreement to be given to Principal shall be sufficiently given if addressed to Principal and received by it at its offices listed on the Custody Agreement, or at such other place as Principal may from time to time designate in writing.

6.4 If any provision of or obligation under this Agreement shall be invalid, illegal or unenforceable in any applicable jurisdiction, the validity, legality and enforceability of the remaining provisions shall not in any way be affected thereby. This Agreement may not be amended or modified in any manner except by a written agreement executed by both parties. This Agreement shall extend to and shall be binding upon the parties hereto, and their respective successors and assigns; provided, however that this Agreement shall not be assignable by either party without the written consent of the other.

6.5 This Agreement shall be construed in accordance with the Canons of the Episcopal Diocese of Minnesota and with the substantive laws of the State of Minnesota, without regard to conflicts of laws principles.

6.6 This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but such counterparts shall, together, constitute only one instrument.