

DECLARATION OF TRUST

The CITY OF BLOOMINGTON, a municipal corporation, TRUSTEE, in accordance with the provisions of an Order entered or to be entered by the Circuit Court of the Eleventh Judicial Circuit, McLean County, Illinois, in a certain cause entitled Burr v. Brooks, et al., in Chancery, No. 12415, hereby declares that it will hold all property transferred to it under the terms of said order, which property shall be described in a Schedule to be attached hereto, and all other property subsequently given to the trustee, in trust under the terms and conditions hereinafter set forth.

ARTICLE I

NAME

This trust is named and shall be known as "The John M. Scott Health Care Trust."

ARTICLE II

PURPOSE

The purpose of this trust is to provide health care for the use and benefit of all sick or otherwise disabled persons, no matter from what cause such sickness or disability may arise, and who may not be able to pay for needed care and attention; and to conduct health-related informational and educational programs and activities to assist such persons in preventing illness and promoting good health. All activities of the trust shall be conducted without discrimination because of race, color, religion, sex, national origin, ancestry, age, marital status, physical or mental handicap, unfavorable discharge from the military service, and any other factor subsequently determined by law to require protection from discrimination. It is intended that the income of

EXHIBIT A

this trust not be subject to federal, state or municipal taxation; and the trust shall not engage in any activities, conduct or pursuit which would preclude exclusion or exemption from such taxation.

ARTICLE III

PROGRAM

Section 1. The purpose of the trust will be accomplished through the John M. Scott Health Care Program.

Section 2. The John M. Scott Health Care Program will:

a. Provide access to the existing health care system for persons who may not be able to pay for needed care and attention by (1) performing limited, non-emergency, physical assessments for such persons who believe themselves to be ill or in need of treatment; (2) making referrals to appropriate doctors, dentists, clinics, hospitals, and similar professional personnel or facilities; (3) providing or arranging for transportation to and from such health care personnel and facilities; (4) acting as an advocate on behalf of such persons with respect to appointments, communications and administration within the health care system; and (5) making payments upon behalf of such persons to those persons and facilities who have provided authorized services within the health care system.

b. Provide care in existing, local hospitals (St. Joseph, Mennonite and Brokaw) for such persons who may not be able to pay for needed care and attention (1) by making direct payment for qualified, identified patients, and (2) by grants-in-aid. Such payments and grants-in-aid will be made and applied in accordance with published guidelines to be promulgated by the trustee for the purpose of establishing criteria and procedures determined to be necessary or desirable to identify qualified patients and to control expenditure of such grants-in-aid.

c. Acquire diagnostic or laboratory equipment not otherwise readily available in the local health care system for use in local hospitals, clinics, and other health care facilities; or for use in the John M. Scott Health Care Center.

ARTICLE IV

JOHN M. SCOTT HEALTH CARE CENTER

Section 1. The program described in Article III will be administered at a facility to be known as the John M. Scott Health Care Center.

Section 2. The John M. Scott Health Care Center will be located initially in the building commonly known as the Bloomington City Hall Annex at 314-320 S. Main Street, which is immediately adjacent to the property designated by John M. Scott as the site for the hospital described in Eleventh of his Will, upon which site his home was located and where an historical marker has been erected in his memory.

Section 3. The Trustee shall not invade corpus by expending in the aggregate any more than 5% of that part of the net estate awarded to it pursuant to said Court order without prior approval of the Circuit Court. Contributions received as provided in Article VIII and additions to principal under Article VII, Section 2.a. shall not be subject to or considered in calculating this 5% aggregate limitation of invasion of corpus.

ARTICLE V

ADMINISTRATION

Section 1. The John M. Scott Health Care Program will be administered in accordance with the general plan expressed by John M. Scott in the Eleventh Article of his Will. It will be "forever under the direction and control" of the trustee with the privilege, however, unto the Elders of the Second Presbyterian Church to visit the Center and advise as to its management and especially to see that persons seeking or receiving health care are kindly cared for and humanely treated.

Section 2. Under the continuing jurisdiction of the Circuit Court, the trustee's

City Council will retain and exercise responsibility for policy direction, program priorities, budgeting, and appropriations.

Section 3. A Commission consisting of an odd number of persons not in excess of 11 shall be appointed to be known as the John M. Scott Health Care Commission, which will advise the trustee as to: (a) development of the Center; (b) planning of the Program; and (c) such other matters as directed by the trustee from time to time. The Commission shall be made up of representatives from the community designated or selected as follows: (a) the elected Township Supervisor of General Assistance of the City of Bloomington Township; (b) one member of the McLean County Medical Society, selected by said society; (c) one member of the McLean County Dental Society, selected by said society; (d) one member of the governing board of Brokaw Hospital, selected by said board; (e) one member of the governing board of Mennonite Hospital, selected by said board; (f) one member of the community advisory board of St. Joseph's Hospital of Bloomington, selected by said board; (g) one elder of Second Presbyterian Church of Bloomington, selected by the ruling elders of said church; (h) one member of the board of the McLean County Health Department, selected by said board; and (i) additional representatives of such other bodies or agencies, not to exceed 3 in number, as may be designated by the Trustee from time to time.

Section 4. The Program will be administered by a full time staff qualified in the following areas: nursing and physical assessment, health education, medically related (physical and mental) social work, accounting and clerical personnel, and such other areas as designated by the trustee from time to time.

ARTICLE VI

INVESTMENTS

Section 1. All trust funds remaining after improving and equipping the John M. Scott Health Care Center shall be held in trust as an endowment fund for the Center and shall be invested in safe and well secured interest bearing securities

which qualify as trust investments. Trust funds will not be invested in any other way unless the trustee applies for and secures prior approval from the Circuit Court.

Section 2. All trust funds shall be held separate and apart from all other funds belonging to or administered by the City of Bloomington.

Section 3. No person making payments of income or principal to the trustee shall be required to see to the application thereof.

ARTICLE VII

EXPENDITURES OF INCOME

Section 1. The annual income from the trust estate shall be used to fund the John M. Scott Health Care Program and to pay all expenses for the administration and operation of the John M. Scott Health Care Center.

Section 2. If annual income from the trust estate exceeds annual expenses for the trust estate then the trustee in its discretion may deal with the excess in any one or more of the following ways:

a. Any part or all of such annual excess may be added to the principal endowment fund of the trust estate, from which it may, if necessary, be withdrawn to pay annual expenses of the trust estate for or during any year in which expenses exceed income.

b. Any part or all of such annual excess may be used to acquire diagnostic or laboratory equipment, not otherwise readily available, for use in local hospitals, clinics and other health care facilities; or for use in the John M. Scott Health Care Center.

c. Any part or all of such annual excess may be divided and distributed among St. Joseph Hospital, Mennonite Hospital and Brokaw Hospital as a grant-in-aid to be used in accordance with the guidelines referred to in Article III, Section 2, paragraph b above; provided, however, that each such recipient has maintained its own exemption from income taxation under

Section 501 (c) (3) of the Internal Revenue Code.

Section 3. The trustee's decision with respect to the use or application of excess, annual income shall be final.

Section 4. The trustee, in its municipal corporate capacity, shall be entitled to reimbursement for expenses upon behalf of the trust and to payment for equipment, facilities and services furnished for the benefit of the trust.

ARTICLE VIII

RECEIPT OF CONTRIBUTIONS

The Trustee is authorized to receive contributions of money and property from any source to be held and administered under the terms of this declaration. No such money or property shall be received or accepted, however, if it is conditioned or limited so as to require use for other than the purpose expressed in Article II, unless the trustee first elects to apply for and receives prior approval from the Circuit Court.

ARTICLE IX

POWERS AND DUTIES

Section 1. In addition to any discretion, duty and power hereinbefore granted the trustee shall have the following powers:

- a. To retain any property or investment originally delivered to the trustee;
- b. To invest and reinvest the trust estate;
- c. To sell trust property for cash or on credit; and to exchange trust property for other property or for credit incident to the purchase of other property;
- d. To hold investments in the name of the trustee or a nominee,

with or without disclosure of the trust, the trustee being responsible at all times for the acts of such nominee as to any such investment;

e. To allocate receipts as between income and principal in accordance with the Illinois Principal and Income Act as amended from time to time;

f. To take any action deemed necessary, appropriate or expedient as to trust property, invested funds or any business matter of the trust;

g. To employ attorneys, auditors, accountants, depositories, proxies and agents with or without discretionary powers; and

h. To take all other actions necessary in the discretion of the trustee to accomplish the purpose of the trust provided that such action is authorized, expressly or impliedly, by the terms of this order or by law.

Section 2. In the exercise of any power or duty, the trustee shall not perform any act or engage in any activity, conduct or pursuit which causes trust income to be subjected to federal, state or municipal taxation.

Section 3. Annually, the trustee shall prepare and file each and every return or report required by the laws of the United States of America and the State of Illinois.

Section 4. Annually, the trustee shall prepare and file a report, as to its cash receipts and disbursements, investments, and assets with the Circuit Court.

ARTICLE X

AMENDMENT

This declaration shall not be amended unless the trustee first applies for and receive approval of the proposed amendment from the Circuit Court.

ARTICLE XI
TERMINATION AND DISSOLUTION

The trust established by this declaration is intended to be perpetual; but in the event of termination and dissolution the assets of the trust shall be distributed pursuant to order of the Circuit Court to one or more entities which are at that time exempt from income taxation under Section 115(1) or Section 501(c)(3) of the Internal Revenue Code.

ARTICLE XII
ACCEPTANCE

The City Council, for and on behalf of the City of Bloomington, hereby accepts this trust, to be held upon the terms and conditions hereinbefore set forth, and authorizes execution of this Declaration of Trust by its Mayor and Clerk.

_____, 1981.

THE CITY OF BLOOMINGTON

By _____
Its Mayor

Attest:

Its Clerk

SCHEDULE OF PROPERTY TRANSFERRED TO THE JOHN
M. SCOTT HEALTH CARE TRUST

Pursuant to the terms of a final Judgment entered by the Circuit Court of McLean County, Illinois on November 20, 1981, in Chancery No. 12415, entitled Luman Burr, Plaintiff vs. James R. Brooks, et al., Defendants, the following described property, to wit:

<u>Date of Receipt</u>	<u>Description</u>	<u>Pursuant to Order Of Distribution Dated</u>
24 Dec. 81	\$5,369,100.00	11 December 1981
24 Dec. 81	32,340.00	18 December 1981
26 Jan. 82	<u>711.10</u>	26 January 1982
Total	\$5,402,151.10	

was distributed to and received by the City of Bloomington, Trustee of the John M. Scott Health Care Trust, and is reported on this Schedule to be attached to Declaration of Trust dated November 9, 1981 and filed herein November 25, 1981.

THE CITY OF BLOOMINGTON

By _____
Its Mayor

ATTEST:

City Clerk

EXTRACTS FROM PROVISIONS OF THE WILL OF
JUDGE JOHN M. SCOTT
PROVIDING FOR HOSPITAL AND BEARING
ON THE HEALTH CENTER TO THE EXTENT APPLICABLE

By Eleventh of his Last Will and Testament, John M. Scott
provided as follows:

"Upon the death of the last surviving annuitant herein named it is my will and I hereby direct . . . that said City of Bloomington, with said trust funds or such portion as shall be deemed necessary for that purpose, through its officers or such discreet persons as it may appoint, erect and construct . . . a building suitable for a hospital and to be used for hospital purposes and to be forever under the direction and control of the said City of Bloomington, with the privilege, however, unto the Elders of the Second Presbyterian Church of said city to visit said hospital and advise as to its management and especially to see that patients that may be admitted to said hospital are kindly cared for and humanely treated. This privilege shall be forever accorded to the Elders of said church and the hope is expressed that they will faithfully observe it. No more of the said trust estate shall be used for the erection and furnishing suitable hospital buildings than the amount of said trust estate will justify in the judgment of reasonable persons who may be appointed by said city to have the charge of the erection and furnishing of said hospital buildings. The said hospital when erected and furnished shall be called the "Scott City Hospital" and I trust it will not be deemed irreverent if I now in this solemn way invoke God's divinest blessing to rest upon and be ever with said institution if it shall be erected and completed, and upon all who may have charge of it or minister in any way in it. Whatever trust funds or property may remain after the erection and furnishing said hospital buildings shall be held in trust by said City of Bloomington as an endowment fund for said hospital and shall be invested in safe and well secured interest bearing securities, provided no funds belonging to said trust estate shall be loaned on other than real estate securities. Said hospital when so erected as aforesaid by the said City of Bloomington shall be for the use and benefit of all sick or otherwise disabled persons, male or female, old or young, without regard to nationality or religious beliefs no matter from what cause such sickness or disability may arise (except the managing officers of such hospital shall in no case, unless in their discretion, be required to admit persons having any contagious disease) and who may not be able to pay for needed care and attention in such hospital and in such numbers only as the capacity of such hospital will reasonably accommodate. It is particularly desired that all persons who may be injured by accident and who may have no friends at hand to care for them or who may have no money or other means to pay for care and medical or surgical services may be admitted into such

hospital for treatment for such length of time as shall be reasonable under all the circumstances provided that any person who may wish to be admitted to such hospital for treatment or for human care, and who may be able to pay for the same, may be admitted and be charged only a reasonable sum for such care and treatment.

In Twentieth of his Will he then provided, in part, as follows:

"As my estate or the residue of it is eventually to be set apart for a great charity I wish to impress upon it the sacred character of a trust. . . ."

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