

LEMUEL E. AND EVELYN H. BANCROFT MEMORIAL TRUST

This agreement is made this 7th day of April, 1975, between EVELYN H. BANCROFT, as trustor, and ST VINCENT MEDICAL CENTER, Los Angeles, California, as trustee.

Trustor does hereby irrevocably transfer, convey and deliver to the trustee, and the trustee by execution of this agreement does hereby acknowledge receipt from the trustor of the property described in Schedule A attached hereto, which, together with any income earned by the trust (such property and such income being hereinafter referred to as the "trust estate"), shall be held upon the following trusts:

ARTICLE I

DEFINITIONS

1.1 "Trust year" shall mean the taxable year of the trust, which shall be the calendar year. The first trust year shall begin on the date of execution of this agreement.

1.2 "Beneficiary" shall mean Evelyn H. Bancroft.

1.3 "Annuity amount" shall mean a dollar amount equal to the greater of Nine Thousand Dollars (\$9,000.00) or six percent (6%) of the initial net fair market value of the

property placed in this charitable remainder annuity trust as finally determined for federal tax purposes.

ARTICLE II

DISTRIBUTIONS OF INCOME AND PRINCIPAL

2.1 During each trust year the trustee shall distribute the annuity amount annually in equal monthly installments payable at the end of each month to or for the benefit of the beneficiary. The annuity amount shall be paid from income and, to the extent that income is not sufficient, from principal. Any income of the trust for a trust year in excess of the annuity amount shall be added to principal.

2.2 Notwithstanding the provisions of paragraph 2.1, above, in any trust year which is for a period of less than 12 months (other than the year in which the beneficiary dies) the amount which must be distributed under paragraph 2.1 shall be the annuity amount multiplied by a fraction the numerator of which is the number of days in the trust year and the denominator of which is 365 (366 if February 29 is a day included in the numerator). In the case of the trust year in which the beneficiary dies, the amount which must be distributed under paragraph 2.1 shall be the annuity amount multiplied by a fraction the numerator of which is the number of days between the beginning of such trust

year and the date of death of the beneficiary and the denominator of which is 365 (366 if February 29 is a day included in the numerator); provided, however, that payments to the beneficiary shall terminate with the regular payment next preceding her death.

2.3 Within ninety (90) days of the death of the beneficiary, the remainder of the trust estate shall be distributed to St. Vincent Medical Center, Los Angeles, California; provided, however, that if said hospital is not then an organization described in Sections 170(c), 2055(a) and 2522(a) of the Internal Revenue Code of 1954 or the corresponding provisions of any subsequent federal internal revenue law, said remainder shall be distributed to one or more hospitals in Los Angeles, California that are described in said Sections (and which have been in existence as organizations described in Sections 509(a)(1), (2) or (3) of said Code for a continuous period of sixty (60) calendar months immediately preceding such distribution) as shall be designated in writing by the then acting trustee of this trust.

2.4 In the event that the initial net fair market value of the trust estate is incorrectly determined and such determination affects the determination of the annuity amount pursuant to Section 1.3, above, the trustee

shall pay to the beneficiary, in the event of an undervaluation, or it shall be repaid by the beneficiary, in the case of an overvaluation, an amount equal to the difference between the amount which the trustee should have paid if the correct value were used and the amount which the trustee actually paid, with any such payments to be made within a reasonable period after the final determination of such value. The trustee, as a condition to making any payment provided for herein, may require that the beneficiary enter into such agreement as the trustee deems necessary to require such a repayment of an overpayment. In the event that it appears that such repayment might not be made within a reasonable time, the trustee, in its sole discretion, may withhold such sum from payments otherwise required to be made hereunder

2.5 Anything herein to the contrary notwithstanding, the assets of the trust estate shall not be subject to claim for any federal, state or other estate, inheritance or succession taxes or duties which may be assessed against the estate of the trustor or beneficiary hereunder, and the trustor hereby agrees to include in her will a provision that any and all said taxes and duties payable with respect to any assets included in the trust estate shall be paid out of assets of trustor other than the assets of this trust.

ARTICLE III
ADMINISTRATION

3.1 The rights, powers and duties of the trustee with respect to the management and investment of the trust estate shall, subject to the laws of the State of California and to the applicable rules and regulations of any agency or instrumentality thereof, be as follows:

(a) To continue to hold any property received by the trust;

(b) To manage, control, grant options on, sell (for cash or on deferred payments), convey, exchange, partition, divide, improve and repair trust property;

(c) To lease trust property for terms within or beyond the term of the trust and for any purpose, including exploration for and removal of gas, oil and other minerals; and to enter into community oil leases, pooling and unitization agreements;

(d) To borrow money; and to encumber or hypothecate trust property by mortgage, deed of trust, pledge or otherwise;

(e) To invest and reinvest in every kind of property, real, personal, or mixed, and every kind of investment (specifically including

but not by way of limitation, corporate obligations of every kind, stocks, preferred or common, and mortgage participations) which men of prudence, discretion and intelligence acquire for their own account;

(f) To have, respecting securities, all the rights, powers and privileges of an owner, including the power to vote, give proxies and pay calls, assessments and other sums deemed by the trustee necessary for the protection of the trust; to participate in voting trusts, pooling agreements, foreclosures, reorganizations, consolidations, mergers and liquidations, and in connection therewith to deposit securities with, and transfer title to, any protective or other committee under such terms as the trustee may deem advisable; to exercise or sell stock subscription and conversion rights; and to accept and retain as an investment any securities or other property received through exercise of the foregoing powers;

(g) To hold securities and other assets in the name of the trustee, or in the name of a nominee, with or without disclosure of the trust, the trustee being responsible for the acts of such nominee affecting the same;

(h) To compromise or otherwise adjust claims against or in favor of the trust;

(i) To employ such agents, advisors, investment counsel, accountants or attorneys as it may deem appropriate in the administration of the trust and to delegate such ministerial duties to the same as it may deem appropriate.

Provided, however, (1) that the trustee shall have no power inconsistent with the allowance of an income tax deduction to the trustor under Section 170 of the Internal Revenue Code of 1954, a gift tax deduction under Section 2522 of said Code or an estate tax deduction to trustor's estate under Section 2055 of said Code for the value of the remainder interest of this annuity trust attributable to contributions by the trustor, (2) that nothing in this instrument shall be deemed to restrict the trustee from investing the trust estate in a manner which could result in the annual realization of a reasonable amount of income or gain from the sale or disposition of trust assets, and (3) that the trustee may not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code of 1954 or make any taxable expenditure as defined in Section 4945(d) of that same Code, except that the prohibitions against "self-dealing" and "taxable

expenditures" shall not prevent payments expressly required by the provisions of Article II above.

3.2 The beneficiary is expressly prohibited from anticipating, encumbering, assigning, hypothecating or in any other manner alienating his or her interest and is without power to do so; provided, however, that the beneficiary may, by written instrument, surrender the beneficiary's interest hereunder to the remainderman. Such interest shall not be subject to her liabilities or obligations, nor to attachment, execution, or other legal process, bankruptcy proceedings or claims of creditors or others. The trustee may, however, deposit to the beneficiary's credit distributions payable to her in any bank designated by her in writing.

3.3 If for any reason, including the incapacity, illness, injury or incompetence of the beneficiary, the beneficiary is unable to accept one or more monthly installments of the annuity amount, the trustee may apply such payment or payments for her benefit, pay such payment or payments to her without the intervention of a guardian or a conservator or distribute the same to a guardian or a conservator. The trustee shall not be required to see to the application of any such payment or payments so made to any of said persons, but such payees' receipts therefor shall be a full discharge of the trustee.

3.4 This trust is, and shall remain, irrevocable, and no right or power of termination, amendment or modification is reserved by the trustor. Notwithstanding any provisions hereof, it is the intent of the trustor that this trust shall qualify as a "Charitable Remainder Annuity Trust," as that term is defined in Section 664(d)(1) of the Internal Revenue Code of 1954, on the date of execution of this agreement, and the trustee shall administer this trust accordingly and shall have the power, acting alone, to amend this instrument in any manner which in its discretion it may deem desirable or necessary for the sole purpose of insuring that this trust so qualifies.

3.5 No additional contributions shall be made to the trust after the initial contribution.

ARTICLE IV

RULES OF CONSTRUCTION

4.1 Unless the context of this document clearly requires another construction, the masculine, feminine and neuter genders shall each include the others and the singular and plural numbers shall each include the other.

4.2 If any provision or provisions of this trust agreement shall be invalid or unenforceable, the remaining provisions shall continue to be fully operative.

ARTICLE V

REGULATION OF TRUSTEES

5.1 This trust has been accepted by St. Vincent Medical Center, Los Angeles, California, as trustee, and will be administered in the State of California. Its validity, construction and all rights thereunder shall be governed by the laws of that State.

5.2 The trustee shall have the right to resign at any time by giving written notice to the beneficiary and by conveying the trust estate to its successor. Upon resignation of the trustee, a successor may be appointed by the beneficiary, or, if the beneficiary fails to do so, shall be appointed by a court of competent jurisdiction upon petition of the resigning trustee and at the expense of the trust estate. Each successor trustee must be a corporation or national banking association authorized to conduct a trust business in California. Each trustee shall be responsible only for its own actions or omissions in bad faith as trustee. No successor trustee shall be required to audit or investigate the acts or administration of any prior trustee; nor shall any successor trustee have any liability therefor. Each successor trustee shall be vested with all the title, rights, powers, discretions, privileges, duties and obligations of the original trustee. No bond or other security

shall be required of any trustee or successor trustee. No one dealing with the trustee need inquire concerning the validity of anything it purports to do, or need see to the application of any money paid or property transferred to or upon the order of the trustee.

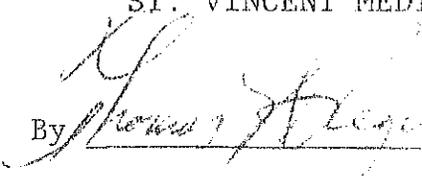
ARTICLE VI
COUNTERPARTS

6.1 To the same effect as if it were the original, anyone may rely upon a copy certified by a trustee or by a notary public to be a counterpart of this instrument or of any document required to be filed with or to be kept in the office of the trustee. Anyone may rely upon any statements of fact concerning the trust certified by anyone who appears from the original document or a certified copy to be a trustee or successor thereto hereunder.

EXECUTED this 7th day of April, 1975.

ST. VINCENT MEDICAL CENTRE

By

 _____
Title _____

Trustee

I certify that I have read the foregoing Lemuel E. and Evelyn H. Bancroft Memorial Trust and that it correctly sets forth the terms and provisions of the trust. I approve it in all particulars and request the trustee to execute it. I hereby expressly convey to the trustee my interest in the assets listed on Schedule "A," attached.

Evelyn H. Bancroft
Evelyn H. Bancroft, Trustor

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES) ss.

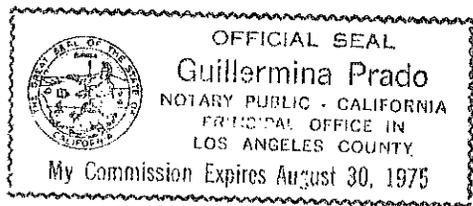
On this 7th day of April, 1975, before me
a Notary public in and for said County and State, per-
sonally appeared Evelyn H. Bancroft, known to me to be
the person whose name is subscribed to the within in-
strument and acknowledged to me that she executed the
same.

IN WITNESS WHEREOF, I have hereunto set my
hand and affixed my official seal the day and year in
this certificate first above written.

Guillermina Prado

Notary Public in and for
said County and State

(SEAL)



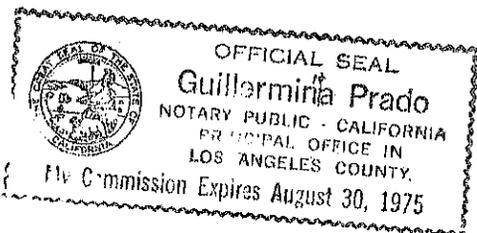
STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.

On this 27th day of April, 1975, before me, a Notary Public in and for said County and State, personally appeared Thomas Regan, known to me to be the Development Counsel of the corporation that executed the within Instrument, and known to me to be the person who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Guillermina Prado
Notary Public in and for
said County and State

(SEAL)



SCHEDULE A
ASSETS TRANSFERRED

4/24/75

5/21/75 - Original to: V. Gaul, Controller
cc to: T. Regan ✓

AL

MUSICK, PEELER & GARRETT

ATTORNEYS AT LAW
ONE WILSHIRE BOULEVARD
LOS ANGELES, CALIFORNIA 90017
TELEPHONE (213) 629-3322

ELVON MUSICK
1890-1988
LEROY A. GARRETT
1806-1863

JOSEPH D. PEELER
JOHN M. ROBINSON
DAVID P. EVANS
JAMES E. LUDLAM
GERALD G. KELLY
JESSE R. O'MALLEY
BRUCE E. CLARK
BRUCE A. BEVAN, JR.
RALPH E. ERICKSON
CHARLES F. FORBES
THOMAS J. REILLY
RICHARD T. APEL
THOMAS H. COLLINS
DONALD J. DREW
RICHARD D. DEAR
LEONARD E. CASTRO
J. PATRICK WHALEY
MICHAEL W. COHLON
MICHAEL H. MURPHY
WILLIAM J. EMANUEL
EDWARD A. LANDRY
JOHN R. BROWNING
JOSEPH A. SAUNDERS

RONALD G. TRAYNER
HARRY R. STANG
ROGER D. GAYMILLER
THOMAS J. KELLEY, JR.
JAMES D. DEVINE
LARRY A. CURTIS
FREDERICK T. GUCKENBERGER
FRANK H. SMITH, JR.
LAWRENCE E. STICKNEY
GERALD A. COLLIER
JAMES D. BERTERO
JAMES L. SEAL
ROBERT D. GIRARD
TERRENCE J. WALLOCK
JEFFREY A. BERMAN
ALFRED KLEIN
GARY F. OVERSTREET
MICHAEL W. BORDERS
WILLIAM S. MILLER
WILLIAM L. NEAL
BARBARA A. HINDIN
JERIEL C. SMITH
GEORGE R. HARTLEY

April 23, 1975

CABLE "PEELGAR"
TELEX 67-7481
TELECOPIER
624-1376

OF COUNSEL
FRANCIS F. QUITTER
HELVIN D. WILSON

Mr. Austin S. Hall
Executive Director
St. Vincent's Hospital
2131 West Third Street
Los Angeles, California 90057

Dear Austin:

I have had an opportunity to review the Evelyn H. Bancroft Trust and, in our opinion, it is a valid charitable remainder annuity trust as defined by Section 664(d)(1) of the Internal Revenue Code.

It would appear the amounts payable are restricted to income or corpus of the trust and, therefore, it is not an annuity contract and is not subject to regulation by the California Insurance Commissioner.

Very truly yours,

Charles F. Forbes
for MUSICK, PEELER & GARRETT

CFF:jb

LATHAM & WATKINS

ATTORNEYS AT LAW
555 SOUTH FLOWER STREET
LOS ANGELES, CALIFORNIA 90071
TELEPHONE (213) 485-1234

1055 NORTH MAIN STREET
SANTA ANA, CALIFORNIA 92702
TELEPHONE (714) 558-9211

PAUL R. WATKINS (1899-1973)
DANA LATHAM (1898-1974)

CABLE ADDRESS LATHWAT
TWX 910 321-3733

May 16, 1975

Mr. Thomas H. Regan
Development Counsel
St. Vincent Medical Center
2131 West Third Street
Los Angeles, California 90057

Re: The Lemuel E. and Evelyn H. Bancroft
Memorial Trust

Dear Tom:

Enclosed as promised is a certified copy of the court's order approving a preliminary distribution of Mrs. Bancroft's community property interest in various assets including 27,000 shares of California Portland Cement Company common stock. The certified copy of the order should be sent to the transfer agent for the California Portland Cement Company together with the stock certificates and stock powers previously handed you and a copy of the trust instrument. You should instruct the transfer agent to transfer the shares directly to "St. Vincent Medical Center, Trustee U/D/T for the Lemuel E. and Evelyn H. Bancroft Memorial Trust dated April 7, 1975."

If I can be of further assistance, please do not hesitate to call upon me. If you run into any difficulty in dealing with the transfer agent, I would be glad to talk directly to its representative. The stock certificates indicate that Security Pacific National Bank is the transfer agent.

I trust that you and yours are well and that your efforts in connection with the new facility continue to go well.

Best regards.

Sincerely,



Robert E. Bennett
of LATHAM & WATKINS

Enclosure

cc: Mrs. Evelyn H. Bancroft



SECURITY PACIFIC NATIONAL BANK

PASADENA TRUST AND FINANCIAL SERVICE OFFICE
234 EAST COLORADO BOULEVARD, PASADENA, CALIFORNIA 91101 • SIXTH FLOOR
P.O. BOX 419, PASADENA, CALIFORNIA 91102

File
M M B
This is the amt.
KJ

August 17, 1984

Vincent F. Guinan
St. Vincents Medical Center
2131 W. 3rd Street
Los Angeles, CA 90057

RE: LEMUEL E. BANCROFT TRUST (06-2-08685-0)

Gentlemen:

As we have recently discussed, by reason of the death of EVELYN H. BANCROFT CHERRY on May 16, 1984, the Trust Under Will of LEMUEL E. BANCROFT terminated and the assets, valued at \$3,478,383 on May 16, 1984, are now fully distributable. Pursuant to terms of the Decree establishing the BANCROFT Trust, MRS. CHERRY was granted power to appoint by Will all residue to charitable beneficiaries, which must be organizations described in Section 170(c) and 2055 of the IRC of 1954. MRS. CHERRY has appointed the residue of the BANCROFT Trust as follows:

<u>% SHARE</u>	<u>ORGANIZATION</u>	<u>VALUE OF SHARE BASED ON 5/15/84 VALUES</u>
50%	ST. VINCENT MEDICAL CENTER OF LOS ANGELES, CA	\$1,739,191.50
25%	SO. CALIFORNIA SYMPHONY - HOLLYWOOD BOWL ASSOCIATION (for use insponsoring the L A Philharmonic Orchestra) LOS ANGELES, CA	869,595.75
25%	CHILDRENS' HOSPITAL SOCIETY LOS ANGELES, CA	869,595.75

Copies of the Decree establishing the LEMUEL E. BANCROFT Trust and MRS. CHERRY'S Will appointing residue are enclosed for the information of your organization. You will note that the Decree provides for full distribution within 90 days. As a practical matter, MRS. CHERRY was also the individual Trustee of the Bancroft Trust until her death. Her final accounting is in preparation by the Trust Attorney, Mr. A. Richard Kimbrough of Latham & Watkins, in Los Angeles, for review and settlement by the Superior Court. Security Bank is named and will act as Successor Trustee, subject to MRS. CHERRY'S discharge as individual Trustee. We anticipate that the final account will be filed shortly with the Court and that a hearing on the matter should be set in September, 1984.



ST
VINCENT
MEDICAL
CENTER

2131 WEST THIRD STREET
P.O. BOX 57992
LOS ANGELES, CALIFORNIA 90057

*1-210-0-0000
re Bancroft
Bancroft*

December 5, 1984

Ms. Barbara A. Westfall
Senior Trust Officer
Security Pacific National Bank
P.O. Box 419
Pasadena, California 91102

RE: Lemuel E. Bancroft
Residuary Trust 06-2-08685-0
Lemuel E. Bancroft
Residuary Trust 06-5-08687-0

Dear Ms. Westfall:

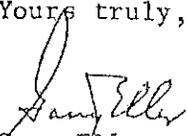
Confirming our earlier telephone conversations, it is requested that St. Vincent's proportionate share of the referenced trusts be transferred by wire to the following depository:

Bank: Morgan Guaranty Trust of New York
Account Name: Daughters of Charity Health Systems, Inc.
Account Number: 015 16 376

Please feel free to contact me if further documentation is required.

Thank you for your assistance in this matter.

Yours truly,


Gary Eller
Assistant Controller

GE:jd

cc: Sister Marjorie Shelvy, Vice President-Finance ✓
Theodore J. Meyers, Director of Development
Kathy Schneider, Accounting Manager