

County of Durham, North Carolina
Board of County Commissioners

Resolution

Consent to Termination of Fiscal Agency Agreement
For the Investment Management of the Watts Hospital Endowment

WHEREAS, the Watts Hospital Endowment (the "Endowment") was created by a conveyance of George W. Watts, dated August 22, 1895, whereby certain securities were transferred to the Trustees of Watts Hospital, subject to certain conditions; and

WHEREAS, on March 6, 1950, the Endowment became the subject of a writing known as the "Fiscal Agency Agreement Trustees of Watts Hospital, as the Principal, and Durham Bank & Trust Company, Fiscal Agent" (the "Fiscal Agency Agreement"); and

WHEREAS, Item First of the Fiscal Agency Agreement named the County Commissioners of the County of Durham, State of North Carolina, (the County Commissioners") as parties in interest to the Fiscal Agency Agreement, and the Fiscal Agent was charged with certain duties to the County Commissioners regarding the Endowment; and

WHEREAS, the General Court of Justice, Superior Court Division, County of Durham, State of North Carolina entered an Order dated December 16, 1980, amending the Fiscal Agency Agreement to change references in the Fiscal Agency Agreement from "Trustees of Watts Hospital" or "Hospital" as the payee to read "Durham County Hospital Corporation"; references to "Watts Hospital" were changed to "Durham County General Hospital"; and references to "Durham Bank and Trust Company" were changed to "Central Carolina Bank and Trust Company;" and

WHEREAS, SunTrust Bank is the successor in interest to Durham Bank & Trust Company and Central Carolina Bank and Trust Company, and currently serves as the Fiscal Agent under the Fiscal Agency Agreement, as modified; and

WHEREAS, the Durham County Hospital Corporation Finance & Planning Committee voted on August 27, 2014, to recommend moving the management of the Endowment to DUMAC, Inc., an investment entity controlled by Duke University; and

WHEREAS, the Durham County Hospital Corporation Board of Trustees (the "DCHC") voted on September 6, 2014, to endorse the recommendation to move the management of the Endowment under DUMAC, Inc.; and

WHEREAS, DCHC has requested that the County Commissioners, as parties in interest to the Fiscal Agency Agreement, approve termination of the Fiscal Agency Agreement, as modified, and release and discharge SunTrust Bank, as the Fiscal Agent, from any further duties or obligations to the County Commissioners with regard to the Endowment; and

WHEREAS, the Fiscal Agency Agreement, as modified, contains no provisions regarding termination; and

WHEREAS, DCHC has notified the County Commissioners that upon approval of termination of the Fiscal Agency Agreement, as modified, DCHC will engage DUMAC Inc. to assume management of the Endowment; and

WHEREAS, SunTrust Bank, after receipt of a resolution by the County Commissioners approving termination of the Fiscal Agency Agreement and the payment of any final fees and costs due and outstanding, intends to transfer the remaining assets of the Endowment to DUMAC, Inc. as directed by DCHC; and

WHEREAS, the Board of County Commissioners has duly considered and does approve by the resolutions which follow, the actions requested by DCHC.

NOW, THEREFORE, BE IT RESOLVED, that the County Commissioners of the County of Durham, North Carolina, do hereby approve of the termination of the Fiscal Agency Agreement, as modified;

AND BE IT FURTHER RESOLVED, that the County of Durham does hereby release and discharge SunTrust Bank, as Fiscal Agent, from any further duties or obligations to the County Commissioners with regard to the Endowment.

This, the _____ day of _____, 20_____.

Michael D. Page, Chairperson
Board of County Commissioners
County of Durham, North Carolina