

January 2, 1913.

Dear Mr. Rockefeller:

In the matter of the proposed Deed of Trust which your father has had under consideration, I suggested to him that he defer executing it for a short time pending the decision by our Court of Appeals of a case then before it involving the law of charitable uses in this State. The Court has decided the case, and has sustained a will which left property to the executors in trust "to be by them applied in their best judgment and discretion to such charitable and benevolent associations and institutions of learning for the general uses and purposes of such associations and institutions as my said executors may select, and in such sums respectively as they may deem proper." This you will see is a very broad decision, and would make it possible to create a trust for such charitable uses as the trustees might from time to time select.

Both the New York Court of Appeals and the U.S. Supreme Court have quoted with approval the statement of a text-book writer that "A charitable use where neither law nor public policy forbids may be applied to almost anything that tends to promote the well doing and well being of social man." This would seem to be as broad in scope as the objects stated in the proposed charter of the Rockefeller Foundation. A trust for charitable uses can be created to last in perpetuity and need not be limited by two lives in being. I am of opinion, therefore, that your father could by a deed of trust create a trust to last in perpetuity for such charitable uses as the trustees might from time to time select, and that the trustees under such a deed would have power if the Rockefeller



Foundation were established to convey the property to the Foundation.

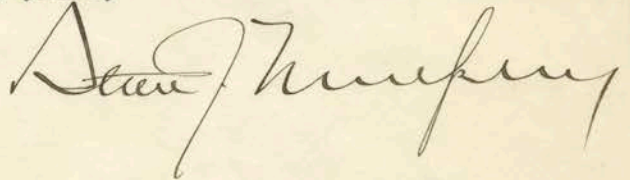
There have, however, been some cases which place a more restricted meaning upon the words "charitable use", and as it is contemplated that if the Rockefeller Foundation is established the property which he conveys under the Deed of Trust shall be turned over to it, I have thought it best, in redrafting the Deed of Trust, to avoid any such question. I send you herewith the Deed of Trust in the amended form. You will notice that in the first place it establishes a trust to last during two lives in being, the lives being yours and that of your son, with instructions to the trustees, if the Foundation is established during that period, the property shall be immediately turned over to the Foundation. It will be unlawful to accumulate the income in the meantime, and I have therefore provided that in the meantime the income, together with such part of the principal as the trustees may deem best, can be applied to any charitable uses which they may select. It further provides that if at the death of the survivor of the two lives there shall be any part of the fund still remaining in the hands of the trustees they shall then hold it to be applied to any charitable use that they may select. This is to be held in perpetuity, subject to a later provision that they may dispose of the principal as well as the income, and as soon as the entire fund, both principal and income, is disposed of the trust shall cease. The other provisions with regard to the powers of the trustees, etc., are in substantially the same form as the earlier draft.

I have expressly provided that the trustees shall serve without

compensation.

If this instrument meets with your approval I suggest that you submit it to your father to see whether he desires to execute it, and, if so, I would suggest that it be executed at an early date.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Steve Thompson". The signature is written in dark ink and is positioned to the right of the typed name.

Mr. John D. Rockefeller, Jr.