

ACKNOWLEDGEMENT AND RELEASE

This Agreement, dated _____, 2013, is entered into by and between Wells Fargo Bank, N.A., ("Wells Fargo"), individually and as Trustee of the Restatement of Trust Agreement of Margaret Fekete u/a/d 10/4/1996 ("Trust") and the Board of Education of the Township of Union ("Board").

WITNESSETH:

WHEREAS, the following facts exist:

A. Wells Fargo has served as Trustee of the charitable remainder trust created under the Trust since October 12, 1998, the date of death of Margaret Fekete.

B. The Trust is a charitable remainder trust which, at its inception, named Ethel Baun Jansen, Frank Baun and Nicholas P. Baun (collectively the "Recipients"), or the survivors of them, as the recipients of the unitrust amount. Upon the death of the survivor of the Recipients the remainder of the trust assets were to be further held in trust with the income being distributed to the Board for the purpose of creating a scholarship fund to be known as the Margaret Fekete Memorial Education Scholarship Fund ("Scholarship"). The survivor of the Recipients, Frank Baun died on November 21, 2002, a fact unknown to Wells Fargo at the time. Mr. Baun's death was discovered by Wells Fargo in or around January 2013.

C. Wells Fargo has discovered that, from November 21, 2002 to December 31, 2012, funds were transferred from the Trust to the bank account of Frank Baun. The bank account of Frank Baun remained open during the period that funds were transferred to it and at no time did any party notify Wells Fargo of the death of Frank Baun ("Discovered Events").

D. Distributions totaling \$247,299 were made to the bank account of Frank Baun during the period November 21, 2002 to December 31, 2012.

E. But for Wells Fargo's lack of knowledge of Frank Baun's death, the income from the Trust (or if the Trust were classified as a private foundation, the Section 4942 amount) would have been distributed to the Board for the purposes of awarding the Scholarship within a reasonable amount of time after November 21, 2002.

F. The Trustee is entitled in due course to have its accounts reviewed and approved and its acts of administration confirmed by the court of appropriate jurisdiction.

I. The Board acknowledges that it has received or has had the opportunity to review full, true and complete accountings of the administration of the Trust.

NOW, THEREFORE, in consideration of these premises and for the purpose of inducing Wells Fargo to reimburse the Trust for any and all loss that may have been incurred by it as a result of the facts stated above, and to refrain from initiating court proceedings at the Trust's expense to procure the settlement and allowance of its accounts or to determine contingent liabilities, if any, arising out of the administration of the Trust, Wells Fargo and the Board agree as follows:

1. The above recitals are incorporated herein by reference.
2. Wells Fargo, in its individual capacity, agrees to reimburse the Trust in the total aggregate amount of \$247,299, without further delay or risk of outcome in any claim arising from the Discovered Events that may hereafter be made against any parties, payable within ten (10) business days of Wells Fargo's receipt of a fully executed original of this Agreement by the Board and the consent or issuance of a no objection letter by the New Jersey Attorney General.
3. Having acknowledged that it has received full, true and complete accountings of the administration of the Trust, the Board hereby waives a formal court accounting of the Trust since its inception.
4. In consideration of the Board's waiver of a formal court accounting, Wells Fargo agrees to refrain from initiating court proceedings at the Trust's expense to procure the settlement and allowance of its accounts and confirmation of its acts of administration, including but not limited to those acts of administration relating to continued administration of the Trust upon Frank Baun's death, distribution of the unitrust amount from the date of Frank Baun's death through December 2012, and failure to create the continuing charitable trust upon Frank Baun's death.
5. The Board agrees to assign and hereby assigns, transfers, and delivers to Wells Fargo, any and all claims it may have against any party with respect to the Discovered Events. The Board further agrees to exercise its best efforts and offer its full cooperation in any claim that may so be asserted against any party by Wells Fargo with respect to the Discovered Events.
6. The Board does hereby ratify, approve and confirm in all respects the administration of the Trust and all acts of Wells Fargo in connection with the administration thereof, including but not limited to any and all acts of administration relating to continued administration of the Trust upon Frank Baun's death, issuance of any and all distributions to the bank account of Frank Baun from the date of his death through December 31, 2012, and failure to create the continuing charitable trust upon Frank Baun's death. The Board's ratification, approval and confirmation inures solely to the benefit of Wells Fargo in its individual capacity and is not intended to constitute an exculpation of any other party's actions related to the Discovered Events or release any

other party from liability or to prejudice Wells Fargo's ability to pursue claims against any party found to have taken impermissible actions related to the Discovered Events.

7. The Board does hereby forever release and discharge Wells Fargo from all claims, demands, actions or causes of action that it may have or hereafter acquire against Wells Fargo, arising out of or in any way connected with the administration of the Trust, including but not limited to those acts of administration relating to continued administration of the Trust upon Frank Baun's death, distribution of the unitrust amount from the date of Frank Baun's death through December 2012, and failure to create the continuing charitable trust upon Frank Baun's death.

8. This Agreement shall extend to and be binding upon the Board and its successors and assigns and shall inure to the benefit of Wells Fargo, its successors and assigns.

9. This Agreement contains the entire agreement between the parties hereto and supersedes any and all prior oral and written agreements and understandings. If a court of competent jurisdiction holds any provision of this Agreement invalid, void, or unenforceable, the remaining provisions nevertheless shall continue in full force and effect without being impaired or invalidated in any way.

10. This Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey.

11. The parties each hereby acknowledge and represent that each of them has been or has had the opportunity to be represented by independent counsel in this matter and that each of them has read and understood all of the terms of this Agreement and that each of them agrees to all of its terms and provisions. The Board shall be responsible for its own attorney's fees and expenses, except as set forth in #12 below.

12. The Board agrees that it will keep the terms of this Agreement confidential, **to the extent permitted by law**, except for communications with its attorneys and other persons who have a need to know the terms of the Agreement in order for the Board to comply with its provisions or receive legal or tax advice. The Board understands and agrees that all persons who are provided such information must be advised of the confidentiality of the information and be required to comply with the terms of this paragraph. Should the Board ever be subpoenaed **or provided an OPRA request** or otherwise called upon to testify or disclose the terms or amount of the Agreement, it agrees to notify Wells Fargo immediately by contacting it in writing at its last known address and to resist disclosure until Wells Fargo has had a reasonable opportunity of not fewer than ten (10) business days or take other action to protect its interests. **Wells Fargo shall pay all attorney fees associated with denying or resisting an OPRA request for the information subject to this Agreement.**

13. The Board further understands and agrees that Wells Fargo has made no representations regarding the federal or state tax consequences to the Board as a result of the execution of this Agreement and that it has had the opportunity to consult with independent counsel concerning such tax consequences.

14. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which taken together shall constitute one instrument.

WELLS FARGO BANK, N.A.

By: _____
Its: _____

Board of Education of the Township of Union

By: _____
Its: _____