

**MILTON S. HERSHEY**  
“HIS DEEDS ARE HIS MONUMENT, HIS LIFE IS OUR INSPIRATION”

**APPENDIX XX: 1935 THE M.S. HERSHEY FOUNDATION**

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**THE M. S. HERSHEY  
FOUNDATION**

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**AGREEMENT OF TRUST**

between

**MILTON S. HERSHEY, Donor,**

and

**HERSHEY TRUST COMPANY, Trustee**

and

**M. S. Hershey, Ezra F. Hershey, Wm. F. R. Murrie,  
P. A. Staples, S. C. Stecher, P. N. Hershey,  
and Wm. H. Earnest, Managers.**

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**Hershey, Pennsylvania.**

**December 5, 1935**

**HTCo.001  
B59, F2**

# MILTON S. HERSHEY

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## APPENDIX XX: 1935 THE M.S. HERSHEY FOUNDATION

THIS AGREEMENT made this fifth day of December, 1935, between Milton S. Hershey, of Hershey, Pennsylvania, hereinafter designated “Donor”, party of the first part, and the Hershey Trust Company, of the same place, hereinafter designated “Trustee”, party of the second part, and M. S. Hershey, Ezra F. Hershey, and Wm. F. R. Murrie, of Hershey, Pennsylvania, P. A. Staples, of Hershey Central, Cuba, S. C. Stecher, of Hummelstown, Pennsylvania, P. N. Hershey, of Lebanon, Pennsylvania, and Wm. H. Earnest, of Harrisburg, Pennsylvania, hereinafter designated “Managers”, parties of the third part,

### WITNESSETH:

That the Donor, with the purpose of creating and endowing in perpetuity a Foundation for educational purposes to be known as “THE M. S. HERSHEY FOUNDATION”, does hereby constitute and appoint M. S. Hershey, Ezra F. Hershey, Wm. F. R. Murrie, P. A. Staples, S. C. Stecher, P. N. Hershey, and Wm. H. Earnest, and their successors, to manage and direct the said Foundation, upon, under and subject to the trusts and conditions hereinafter declared of and concerning the same, and for that purpose and for other good and lawful considerations hereby acknowledged, has assigned, transferred and delivered, and by these presents does hereby assign, transfer and deliver to the Trustee, its successors and assigns, five thousand (5000) shares of the common stock of the Hershey Chocolate Corporation, in trust for the several uses, intents and purposes hereinafter mentioned, that is to say:

- (a) For the establishment and maintenance in whole or in part of one or more educational institutions in Derry Township, Pennsylvania; and/or
- (b) The support of the public schools of Derry Township, Pennsylvania, and the improvement and elevation of the standard of education therein; and/or
- (c) The vocational, cultural or professional education of any resident of Derry Township, Pennsylvania.

### A. THE TRUSTEE

1. The Trustee shall collect and receive the revenues and income of said trust estate and apply the same for any or all of the objects and purposes aforesaid as the Managers in their discretion deem most advantageous to the purposes of the trust.

2. The Trustee with the approval of the Managers is authorized to accept any gifts, bequests or devises of real or personal property that may hereafter be made to or for the benefit of the said Foundation, whenever the terms, conditions, restrictions, or limitations of such gifts, bequests, devises, are not in the opinion of the Trustee and Managers in contravention of the objects and purposes of this trust estate, and all such gifts, bequests, devises, whether made to the Foundation by name, or to the Trustee, or to the Managers, or in any manner whatever, shall be paid or transferred by proper conveyance to the Trustee, and be added to and become a part of the corpus or principal of the trust

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estate or of the income, in aid of which the said gifts, bequests, devises, or any of them may have been made; in the absence of any direction accompanying any such gift, bequest, devise, as to whether the corpus or principal of the trust estate or income is intended to be the recipient of such gift, bequest, devise, the Managers shall have the power to determine to which of the funds, or in what proportion to both, such gift, bequest, or devise, shall be paid or transferred.

3. The Trustee shall on or before the first day of June in each year make out and deliver to the Managers separate statements of principal and income of the trust estate, showing the revenues, receipts, expenses and disbursements for the year ending with the thirtieth day of April immediately preceding, showing what investments have been sold, redeemed, or paid, and what securities have been bought, acquired, or received, during the year, and a statement showing in detail in what property and securities the trust estate was invested on the preceding thirtieth day of April.

4. The corpus or principal, and the income of the trust estate shall at all times be kept separate and apart from each other, and separate and true accounts of the corpus or principal and income shall be kept by the Trustee, and at all times during the customary business hours of the Trustee, the Managers shall have access to the said accounts. At least once in every year it shall be the duty of the Trustee to exhibit to the Managers, and the duty of the Managers carefully to examine and count the several securities, and to verify them with the statements and accounts furnished and kept by the Trustee.

5. The Trustee shall pay from time to time, upon request of the Managers, the net income from the trust estate hereby created and of any future gifts, bequests, and devises, when and as the same may be required by them, or so much thereof as in the opinion of the Managers may be necessary to furnish the amount or amounts of money required by the Managers for any of the purposes designated in the within trust, and the decision of the Managers when expressed in writing and delivered to the Trustee, as to whether the said income, or any part thereof, is or is not required for the purposes mentioned, shall be final and conclusive and binding upon the Trustee, and the receipt of the Managers to the Trustee for all moneys paid to them by the Trustee out of the income, shall be full and sufficient acquittance and discharge of the sums so paid, without any obligation on the part of the Trustee to look to the application of the said moneys.

6. The funds of the principal of the trust estate and the unexpended income of the property held in trust not immediately needed for the purposes of the trust shall be invested and the Trustee at all times by and with the authority and approval of the Managers shall have full power and authority to invest all or any part thereof in any securities which the Trustee and the Managers together may consider safe, whether the said securities or any of them are legal investments for trust funds or not, and neither the Trustee nor the Managers shall be held accountable for the exercise of its and their discretion, exercised in good faith, as to the character of the investments which may be made by the authority and approval of both. The Trustee shall have power to sell any securities at any time held by it, but no sale of securities nor investments of any kind shall at any time be made by the Trustee, without the authority and approval of the Managers.

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7. The Trustee may from time to time, but only with the approval of the Managers, sell and convey in fee simple any real estate which may have been bought or otherwise acquired, which in the judgment of the Managers is not necessary to be kept for the purposes of the trust, or which it may be advisable and advantageous to sell, and may execute and deliver a deed or deeds, or other conveyance for the lands so sold, to the purchaser or purchasers in fee simple, free and discharged of all trusts, and without any obligation on the part of the purchaser or purchasers to look to the application of the purchase money; the purchase money of land so sold shall be held by the Trustee, and invested as herein provided for, and the income therefrom applied to the maintenance of the trust.

8. No part of the corpus or principal of the trust estate or of the income shall at any time be applied to any other purpose or purposes than those herein mentioned and appointed; and in no event shall any part of the corpus or principal of the trust estate ever be used or sold, disposed of or pledged to meet current expenses of the trust; however, with the approval of the Managers the principal, or any part thereof, may be used for the purposes of the trust in the purchase of land and the erection of a building or buildings thereon.

9. The Trustee shall receive as its full compensation for the duties required to be performed by it under this trust a commission of five per cent of the income received by it as Trustee, not exceeding, however, the sum of One Thousand Dollars per annum, and shall make no charge against, and receive no compensation from the corpus or principal of the trust estate.

**B. THE MANAGERS**

1. Subject to the trusts and confidences and for the uses and purposes herein declared of and concerning the same, the Managers shall receive from the Trustee the moneys herein provided for and they shall have power and authority to carry out the provisions of this trust by the establishment and maintenance in whole or in part of one or more educational institutions in Derry Township, Pennsylvania; the support of the public schools of Derry Township, and the improvement and elevation of the standard of education therein; and the contribution of funds for the vocational, cultural, or professional education of residents of Derry Township, with discretion in said Managers to determine what institution may be established or maintained in whole or in part, what contributions shall be made for the support of the public schools or the improvement and elevation of the standard of education therein and the nature and extent thereof, what residents of Derry Township shall be given contributions for further education and the nature and extent thereof. The decision of the Managers as to the manner in which any of the trusts herein provided for shall be carried out and as to the amounts and proportions of disbursements made therefor and as to whether the funds shall be distributed or used for the benefit of one or more or all of the purposes provided herein shall be final and conclusive upon the subject.

2. Should any one or more of the individual Managers hereinabove appointed, die, resign, or become incapacitated to act, or decline or refuse to act, his, or their place or places shall be filled by an appointment to be made by the Trustee, from the members of its own Board of Directors, and any

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vacancy occurring at any time in the number of Managers by any of the above causes, or otherwise howsoever, whether among the Managers herein appointed, or among those that may be selected to fill a vacancy as herein prescribed, or among their successors to be appointed as aforesaid, shall be filled by an appointment to be made by the Trustee, from the members of its own Board of Directors. The Trustee may at any time hereafter revoke the appointment of any person or persons herein designated as Managers, or of those who become their successors, and remove such person or persons from the Managers, and thereafter the person or persons whose appointment is revoked shall no longer exercise the duties of the appointment; the vacancy or vacancies so created shall be filled by an appointment to be made by the Trustee in the manner hereinabove described from the members of its own Board of Directors. The Managers and the Trustee may at any time hereafter increase the number of Managers to such a number as they may determine, not greater than the membership of the Board of Directors of the Trustee.

3. If in the opinion of the Managers it may be deemed advantageous and convenient that they should be incorporated, and as a corporation hold and exercise the trusts herein created and directed to be held and exercised by the Managers as individuals, the Managers shall have full power and authority at their option to apply for and obtain and take corporate powers and become a corporation under the laws of the State of Pennsylvania existing at the time of the application for such corporate powers. Always provided however, and subject to the following express conditions, viz: -- that the said corporation shall hold its charter in perpetuity; that it shall be called “The M. S. Hershey Foundation”; that the Managers holding the trust at the time of the granting of the charter, shall be the sole incorporators and managers of said corporation; that the rights and powers to fill vacancies in their numbers as such incorporators and managers, be subject to the same restrictions as are hereinabove given and imposed in cases of vacancies among the individual Managers, and that the said corporation, under and by virtue of the law or laws of the State of Pennsylvania existing at the time of its creation, shall have full and complete legal authority to take and execute the trusts hereinabove created and intended to be exercised and held by the Managers as individuals, to exercise and enjoy as such corporation all the trusts herein created to be exercised and enjoyed by the said individual Managers, with all the powers and authorities, and under and subject to all the conditions, restrictions, and limitations as are herein given, granted, created, prescribed, and declared of and concerning the said trusts to be held and exercised by the said individual Managers; and upon such corporation being formed as aforesaid, it, the said corporation, by name shall thenceforth hold and enjoy all the trusts hereinabove declared and created and intended to be held and exercised by the individual Managers aforesaid, and be and become the successors in the trust of the said Managers. And upon said corporation being formed as aforesaid, the said Managers shall forthwith give notice thereof in writing to the Trustee, and thereafter the said corporation shall be consulted by the Trustee in the matter of the sale and purchase of securities and real estate, and have the same power and authority in the matter of the sale and purchase of the same and of investments and reinvestments, and in all other matters, as is given to the Managers under this trust; and the said corporation shall thenceforth be entitled to receive from the Trustee, and the Trustee shall pay over to the corporation, all moneys which by this trust are hereinabove directed to be paid by the Trustee to the Managers, and the corporation shall take, receive, hold and use the said money subject to all the trusts and confidences hereinabove declared of and concerning the same with

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like effect to all intents and purposes as if the said corporation had been named in this trust instead of the Managers hereinabove named.

4. The Managers of this trust shall have power and authority to apply for a certificate of incorporation under the laws of Pennsylvania for one or more educational institutions in Derry Township, Pennsylvania, and in the event that the Managers establish one or more educational institutions in Derry Township, Pennsylvania, in accordance with this trust, whether said institution or institutions shall be incorporated or not, the Managers, Trustees or Directors thereof shall be the same as the Managers of this Foundation.

All and several the trusts herein created and declared shall be held in perpetuity.

IN WITNESS WHEREOF the parties hereto have executed this instrument for the creation and acceptance of the trust within created.

MILTON S. HERSHEY [SEAL]  
*Donor.*

HERSHEY TRUST COMPANY, TRUSTEE,

By M. S. HERSHEY  
*President.*

Attest:  
S. C. STECHER  
[SEAL] *Secretary*

M. S. HERSHEY [SEAL]  
EZRA F. HERSHEY [SEAL]  
P. A. STAPLES [SEAL]  
WM. F. R. MURRIE [SEAL]  
S. C. STECHER [SEAL]  
P. N. HERSHEY [SEAL]  
WM. H. EARNEST [SEAL]  
*Managers.*