

DIOCESE OF RENO
PARISH SERVICES AGREEMENT

THIS PARISH SERVICES AGREEMENT (“Agreement”) is made and entered into effective the 1st day of January, 2011, by and between THE ROMAN CATHOLIC BISHOP OF RENO, and His Successors, a corporation sole (the “Diocese of Reno” or the “Diocese”), and (Name of Parish Corporation), a Nevada nonprofit corporation (“Parish”).

Recitals

A. The Diocese of Reno is a particular church of the Roman Catholic Church (the “Church”). The Church is governed by the Code of Canon Law for the Latin Rite of the Catholic Church, as revised or updated from time to time and as supplemented by norms promulgated by the Holy See, the U.S. Conference of Catholic Bishops and/or by the Bishop (collectively, the “Code of Canon Law”).

B. The Diocese of Reno is entrusted to the Bishop of Reno (the “Bishop”) who is also the incumbent of the civilly incorporated Diocese of Reno. Can. 369. The Diocese is divided into parishes, the pastoral care of which is ordinarily entrusted to a pastor under the authority of the Bishop. Cann. 374 §1, 515 §1. Pursuant to the Code of Canon Law, the Diocese and the Parish are each separate juridic entities. Cann. 373, 515 §3.

C. The Diocese of Reno is civilly incorporated as a corporation sole with the State of Nevada. Throughout the history of the Diocese, the parishes have remained unincorporated; yet consistent with the Code of Canon Law, the Diocese and its parishes have operated in accordance with their separate yet interdependent juridic statuses.

D. In order to bring the civil structure of the Diocese and its parishes into closer alignment with the Code of Canon Law, the Diocese has reorganized by separately incorporating its parishes and missions. The Parish is a nonprofit corporation located in the Diocese of Reno, established to operate (Name of Parish Corporation) parish.

E. The Diocese is operated by and under the auspices of the Pastoral Center located in Reno, Nevada. The Pastoral Center is also responsible for administrative and consultative support, guidance and centralized resources and services to the Parish and other parishes of the Diocese as well as their respective schools and other ministries, concerning administration, personnel, education, finances and facilities.

F. Prior to the separate incorporation of the parishes, this assistance was given without any formal written agreement. The Parish and the Diocese now wish to enter into this Services Agreement to confirm, document and formalize the relationship and matters set forth herein, without any interruption in the current services or resources.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, the Diocese and the Parish hereby agree as follows:

ARTICLE 1
SERVICES PROVIDED BY DIOCESE

Section 1.01 Scope of Services.

A. Mandatory and Elective Services. The Diocese, through the Pastoral Center, and acting in accord with Canon Law, agrees to provide, or make arrangements to have provided, the services and resources set forth in this Services Agreement, on the terms and conditions set forth herein. The Parish agrees to utilize such services and to discharge its obligations under this Services Agreement. The Parish acknowledges that under Canon Law it is proper for the Diocese to require it to enter into this Services Agreement pursuant to which the Parish will be required to participate in and utilize services and programs which are mandated by the Diocese and will be entitled to select whether or not to participate in any elective services or programs that may be offered from time to time under this Services Agreement.

B. Services for Parochial Schools. To the extent that the Parish has a school or schools, whether a pre-school or an elementary school, or a combination of the two, whether operated solely by the Parish or jointly in connection with the Diocese or another parish or parishes of the Diocese, the terms of the Services Agreement will include those operations, as set forth in Appendix 1.

C. Third Party Services. The Diocese may arrange for services, currently provided by or through the Pastoral Center, to be provided by a third party. In such case, the Parish acknowledges that services hereunder may be reassigned or modified to effect the same, without a requirement for the Diocese to negotiate a modification of this Services Agreement, except to advise the Parish in a timely manner of the same.

Section 1.02 Pastoral Services and Resources.

A. Liturgy and Worship. The Diocese shall serve as the primary consultative resource to the Parish regarding matters of worship and liturgy, including, but not limited to, by communicating norms and changes in liturgical texts and rituals as promulgated by the Holy See or the United States Conference of Catholic Bishops (“USCCB”) or by the Diocesan Bishop, by providing opportunities for ongoing formation of Parish leaders with regard to liturgy and worship, by assisting the Parish in meeting the needs of its faithful including through worship that recognizes the diverse culture and national backgrounds of the Roman Catholic faithful in the Diocese and by providing input to and facilitating the episcopal review of all proposed changes to, design of, or construction of sanctuaries or other places of worship in the Parish.

B. Evangelization and Catechesis. The Diocese shall provide guidance, support and training to assist the Parish in its evangelization and catechesis programs and ministries including, but not limited to, assistance in training of youth, young adult and adult catechists and ministers, and other persons involved in such other ministries as the Parish may pursue, as

the same are determined to be appropriate from time to time by the Diocese. The Parish agrees to participate in such programs.

C. Religious Education. The Diocese shall serve as the primary consultative resource to the Parish regarding matters of religious education, training and preparation for laity of all ages in the Diocese, including both baptized Roman Catholics and catechumens considering or planning to become Roman Catholic and shall coordinate the education and training of laity with the formation and on-going education of clergy and members of religious orders in the Diocese.

Section 1.03 Ministerial and Governance Supporting Services.

A. Consultative Groups and Councils. The Diocese shall maintain and support the College of Consultors, Presbyteral Council and the Diocesan Finance Council and such other canonical bodies as are contemplated by Canon Law and which are necessary to implement its obligations to the faithful, the Parish and the Diocese under Canon Law and this Agreement.

B. Special Ministries and Initiatives. The Diocese shall serve as the primary consultative resource to the Parish regarding the special ministries and social justice initiatives offered within the Diocese and supported as part of the mission of the Church, including, but not limited to, family and life ministries, justice and peace initiatives, ministries to incarcerated individuals and their families, advocacy and ministry with respect to the poor, the homeless, the neglected, the unemployed and underemployed, immigrants or particular ethnic and national groups represented in the Diocese.

C. Safe Environment Program; Background Checks.

1. The Parish shall be required to participate in and be in full compliance with USCCB Charter for the Protection of Children and Young People (“Charter”) and the policies of the Diocese with respect to all safe environment matters. The Diocese shall administer the mandatory VIRTUS/Protecting God’s Children or other safe environment program to facilitate training, implementation of policies for addressing incidents of abuse or neglect and procedures to further the Charter and best practices standards adopted by the Diocese for all parishes and the children, students, parishioners, lay employees, volunteers, and clergy of the Diocese. The Diocese shall offer and coordinate assistance to victims of clergy sexual abuse through the Victim Assistance Coordinator and shall assist the Parish in complying with the audit requirements of the USCCB.

2. The Safe Environment Program shall include the administration of the fingerprinting and criminal history background checks for clergy, paid personnel and volunteers in the Parish. It shall incorporate the standards required by or adopted from time to time by the USCCB, the Diocesan procedures for investigating and addressing incidents of alleged misconduct or abuse through the Sexual Abuse Review Board, with respect to clergy, or other relevant departments of the Diocese, with respect to persons other than clergy. To facilitate information concerning the training and background compliance and to facilitate the coordination of individuals serving as clergy, employees or volunteers in the Diocese, the

Pastoral Center will coordinate and oversee, without charge to the Parish, the volunteer and employee network database.

Section 1.04 Tribunal and Canonical Services.

The Diocese shall provide to the Parish and its parishioners, any and all tribunals and canonical services contemplated by the Code of Canon Law, including services with respect to matrimonial status, marriage annulments, dispensations from canonical requirements or vows, and other matters properly within the jurisdiction of the Bishop of Reno; and shall establish and maintain such tribunals as are necessary or appropriate to address and resolve said matters. The Parish agrees to pay or advise its parishioners or others using the tribunal and canonical services of their respective obligations for payment for any specific program, services or direct fees or charges that may be assessed from time to time for the tribunal or canonical services.

Section 1.05 Human Resources. The Diocese shall provide human resource services to the Parish from time to time, including, but not limited to, the following:

A. Serve as the primary consultative resource for the human resource issues of the Parish, including, but not limited to, consultation regarding personnel recruitment, employee screening, interviewing, job descriptions, job qualifications, new employee orientation, employee compensation, performance reviews and employee development and training.

B. Develop, recommend and administer a compensation and benefits system and policies to include the Parish employees, as well as clergy and employee benefits programs, including medical, dental, vision, and disability insurance plans and retirement and pension plans.

C. Provide employee and supervisor training and development for the Parish.

D. Prepare, promulgate and keep up to date a Lay Employee Handbook, which shall incorporate human resource policies, regulations and procedures applicable to all parishes of the Diocese, including this Parish; and conduct periodic employee meetings to explain various benefit programs.

Section 1.06 Finance and Accounting Services. The Diocese shall, through the Pastoral Center accounting department, provide the following financial services to the Parish:

A. Serve as the primary consultative resource for the Parish with regard to all temporalities and prudent stewardship of Parish patrimony, including, but not limited to, Parish financial accounting, administration, insurance and risk management, and general business operations.

B. Formulate policies and procedures regarding the proper use and stewardship of Parish assets, and develop, maintain, distribute policies and procedures and hand books or

other material outlining appropriate financial operating policies, procedures, and practices to be followed by Parish.

C. Oversee and coordinate the procedural review program for parishes and schools and, as necessary, conduct or require a financial review or full financial audit of the Parish in such frequency and manner as determined by the Bishop, after consultation with the Diocesan Finance Council.

D. Supervise the qualification and selection of third party vendors made available for required Diocese wide financial and support services, including for payroll services and administration at parishes and schools, for insurance and compliance programs and for other similar services and arrange for such data and information access and retrieval from the vendors as may be appropriate for Diocese wide record keeping and pension and other administrative needs.

E. Act as a clearing agent for various special collections as well as for parish capital campaign programs.

F. Prepare, promulgate and revise as needed accounting and financial reporting policies and procedures and audit policies and procedures.

G. Train Parish personnel on the policies and procedures relating to accounting, internal controls, internal audits, the Parish Deposit and Loan Program, and investment policies.

Section 1.07 Investment Coordination and Oversight. Coordinate and oversee the Diocesan Deposit & Loan (D & L) Program and such other investment vehicles as the Diocese may, in its discretion, adopt and offer for the investment of the various unrestricted, temporarily restricted, and permanently restricted cash assets of the Parish. The Parish agrees that all Parish funds in excess of the equivalent of three months operating expenditures and all funds raised in capital campaigns or for other special purposes shall be treated as surplus and invested in the Deposit & Loan Program.

Section 1.08 General Liability and Employee Insurance Coordination & Oversight.

A. General Liability. The Parish shall be required to participate in and to fund the costs allocated to it by the Diocese for the Diocese's general liability insurance program. The Diocese shall maintain, and administer or arrange for the administration of a general insurance program for the Diocese and for all parishes, schools, and agencies of the Diocese which, at the option of the Diocese, may include a combination of self-insured, risk retention pools and commercial insurance components. As part of its services, the Diocese shall:

1. Determine the self-insured retention levels and the limits of coverage for the Parish and the Diocese, and, as appropriate, shall advise the Parish of the deductible or self-insured obligations applicable to the various coverages afforded the Parish.

2. Negotiate and acquire appropriate insurance and excess insurance coverages for general liability, sexual misconduct liability, auto liability, errors and omissions liability, employment practices liability, special events/outside users liability, property casualty, earthquake, flood, workers compensation, and fidelity, all as may be deemed appropriate by the Diocese and as may be reasonably available in the insurance market, from time to time.

B. Employee Benefits. The Parish shall be required to participate in and to fund the costs allocated to the Parish of such of the Diocese dental, health, disability, life, workers compensation and other employment related insurance programs (“Employee Benefit Program”) made available to clergy, lay employees or religious men and women in the Diocese, it being understood that, under law or policies of their respective orders, certain aspects of the Employee Benefit Program may not be made or utilized by certain classes of such persons. The Diocese shall maintain and administer or arrange for the administration of the Employee Benefit Program for all Parishes, schools and agencies of the Diocese. At the option of the Diocese, the Employee Benefit Program may include a combination of self-insured, risk retention pools and commercial insurance components. The Employee Benefit Program may provide alternative coverage choices to participants and shall be offered on such terms as may be set, from time, by claims experiences and market conditions and by the Diocese for reporting, management, and accounting for claims.

Section 1.09 Pension Plan.

The Parish shall be required to participate in and to fund the costs allocated to it of the Diocesan pension plan offered to lay personnel (“Lay Pension Plan”) and of the pension plan and supplemental pension plan or benefits offered to priests (“Priest Pension Plan”), it being understood that such plans will include eligibility standards, may include contributions from participants and that certain components of either or both of the plans may not be available to certain classes of persons. The Pastoral Center shall maintain, report on and administer or arrange for the administration and qualification of the Lay Pension Plan and the Priest Pension Plan. The Priest Pension Plan may include a non-qualified component. The plans will be offered and administered on such terms as may be set, from time to time, by industry standards and by the Diocese, in consultation with professional advisers, actuarial consultants and the Diocesan Finance Council.

Section 1.10 Construction Coordination & Oversight.

A. The Diocese, through the Office of Stewardship & Development, shall serve as the primary consultative resource and oversight party for the Parish and its school or schools for capital construction and capital improvement projects involving new construction, renovation, repairs and maintenance (other than regular maintenance), additions and demolition. Such oversight shall include, but is not limited to: reviews and approvals under any guidelines that may be promulgated by the Office of Stewardship & Development; recommendations regarding the selection of design professionals, consultants, project managers and contractors; pre-qualification of vendors; project scope, cost and budget reviews; entitlements processing and support; project delivery methods (i.e. competitive bid,

design/build, negotiated guaranteed maximum price); environmental/hazardous-material remediation (i.e. asbestos, mold, lead); government required environmental compliance; contracts for design and construction; bonds; payments and progress payment reviews; and project closeout on completion.

B. The parties acknowledge that the Parish is required to comply with all Diocesan procedures for review and approval of any real estate construction, repair or renovation projects, and, in connection with that process, the Diocese shall assist in the submissions to the Office of Stewardship & Development or other specified groups or departments of the Diocese of any project for new construction, for renovation or for significant repairs at the Parish or its school or schools as well as with respect to compliance with funding requirements for planning and financing of construction projects and compliance with Diocese policies for project management, legal review of agreements, use of Diocese recommended contracts, contractors and vendors and obtaining the required consents and approvals before any documents are executed.

Section 1.11 Stewardship, Development, & Planned Giving.

A. The Diocese shall serve as the primary consultative resource for the Parish with respect to stewardship and development activities of the Parish, including, but not limited to, parish stewardship programs, offertory enhancement programs, capital campaigns, planned giving programs, and major gifts analysis and processing. The Office of Stewardship and Development will provide guidance on Diocese and third party resources available to the Parish. The Parish may engage, at its separate expense, professional resources to assist it in assessing feasibility and conducting such efforts in the Parish. Before any such engagement, the Parish shall consult with the Office of Stewardship & Development which will provide assistance in identifying, evaluating and engaging such professional resources and may, at its option, offer an approved list of vendors as well as a negotiated standard contract terms and conditions for such vendors. The Parish will provide copies of all reports from any such studies or third parties to the Diocese. The Parish agrees to participate in special collections and other special stewardship efforts, all as deemed appropriate and necessary by the Bishop.

B. The Diocese shall coordinate and administer the annual Bishop's appeal, i.e., the Catholic Services Appeal ("CSA"). The Parish agrees to participate in the CSA program. The parties acknowledge and agree that the CSA raises funds to support diocesan programs not covered by the Cathedraticum, including programs that benefit the Parish and its parishioners.

C. The Diocese shall serve as the primary consultative resource for the Parish with respect to bequests, legacies, establishment of annuities and gifts, including planned or donor restricted gifts. The Parish shall be required to consult with the Office of Stewardship and Development of the Diocese with respect to any of these matters or prior to the launch of any other planned giving or similar initiatives that the Parish is considering, including the establishment of any Autonomous Pious Foundation or any other vehicle intended to accept and designate gifts or assets for a special purpose.

Section 1.12 Real Estate Management.

A. The Diocese shall serve as the primary consultative resource for the Parish with respect to all Parish real property issues, including, but not limited to, analysis, recommendations and professional coordination regarding real property acquisitions, sales, financing, any possible condemnation matters, planning, land use, and environmental proceedings or issues, the grant or receipt of any easement or similar property rights, any matters subject to the facilities or use policies of the Diocese, including short term use of facilities for filming or similar activities, any other rental or leasing of real estate for or by the Parish, any cell site, cell tower or similar agreements, and any other property entitlement, property tax or exemption matters that arise at or are expected to impact the Parish or its school or schools, if any.

B. The Parish and Diocese acknowledge that the Parish has beneficial ownership rights to the real estate acquired by or assigned to the Parish by the Diocese but that record title to all real estate in the Parish will be held by the Diocese in trust for the parish, or by such other civil law entity as the Diocese may designate to hold such record ownership interest. Accordingly, the Diocese will assist and facilitate in any approved transactions but the documents conveying any interest in real estate will be executed by the Diocese as trustee or by the entity holding record title, after receipt of any consents from the Parish and Diocese, as may be required under the real property trust agreement.

Section 1.13 Communications.

The Diocese shall provide the Parish with media support and communications services for distribution and response to the public, whether within the Church or to other faith, community or public entities, by providing news releases, media coordination, statements and meetings, as well as through the use of websites, electronic media and similar communications, or the publication of newspapers, newsletters and other media documents. The Parish agrees that all communications with media outlets shall be coordinated with and approved by the Diocese prior to communicating with the media outlet.

Section 1.14 Legal Services.

A. From time to time it is anticipated that legal issues will arise with respect to the Parish including but not limited to: corporate and commercial issues; federal, state and local regulatory and compliance issues; matters related to the maintenance of the tax exempt status of the Diocese and the Parish including qualification for tax exemptions, compliance with civil laws concerning tax exempt status and with election and advocacy limitations and reporting requirements; employment and personnel matters; tort liability; representation of Parish or school personnel called as third party witnesses; contract negotiation and contract claims and disputes; real estate, land use and similar matters; construction issues; trusts and estates, planned giving and donor restricted gift matters; mandatory reporting and other laws for the protection and safety of children and youth.

B. The Parish shall promptly notify the Bishop or the Chancellor of the existence of any and all claims, demands, crimes, or the presence of facts which the Parish believes could lead to a claim, charge or demand against the Parish, the Pastor or Parochial Administrator or any other personnel at the Parish or in its school or schools, shall provide the Diocese with all available information and shall cooperate fully and completely in the assessment, investigation, and defense or prosecution of such claims.

C. The Diocese will arrange for any and all legal representation needed for Parish. The selection of counsel shall be at the discretion of the Parish Board of Directors, with approval of the Diocese, and in consultation with any insurance representatives when required. The Diocese may request that its attorney represent the Parish. Professional fees and costs incurred related to such legal services shall be paid by the Parish or as otherwise agreed to by the Diocese and the Parish.

D. The Diocese shall handle the administration, processing, and ongoing oversight of legal claims made against the Parish and the initiation, oversight, and processing of any claim by the Parish as well as the negotiation of any settlement, compromise or satisfaction of any claim asserted by or against the Parish. The Parish shall not initiate, settle pursue, compromise or satisfy any claim without involvement of the Diocese or the diocesan attorney's office.

Section 1.15 Other Services. From time to time the Parish may request the Diocese to provide additional services not delineated in this Services Agreement, and the Diocese will consider in good faith such requests. If the Diocese agrees to provide the services, payment for the services shall be a cost-reimbursement basis, or with an additional management fee.

ARTICLE 2 SERVICE FEES

Section 2.01 Service Fees: Parish. As compensation for the Services provided during the term hereof, the Diocese shall assess the Parish a service fee ("Cathedraticum") in an amount established from time to time by the Bishop, after hearing the Diocesan Finance Council and the College of Consultors. The Cathedraticum shall be a specified percent of the parish ordinary income for the prior fiscal year and shall be payable by the Parish to the Diocese, on such terms, methods and frequency as are specified by the Diocesan Pastoral Center from time to time, but with amounts due being maintained at the prior year level until Parish financial reports are available for the most recently completed fiscal year, at which time the amount will be adjusted, as required, for the Parish's actual prior fiscal year results, with the adjusted amount billed and retroactive to July 1st of the current fiscal year.

Section 2.02 Service Fees: Parochial Schools. As compensation for services provided by the Diocese to any parochial school owned and operated by the Parish, the Parish or its parochial school shall pay a flat fee multiplied by the number of students enrolled as of October 1 each year. The amount of the fee shall be established by the Diocese and communicated to the Parish, and may be increased annually as determined by the Diocese.

Section 2.03 Additional Costs. In addition to the compensation set forth above, as to any and all services subcontracted by Bishop to third parties under this Agreement (e.g., legal fees, banking and investments services, payroll administration, employee benefits, insurance, worker's compensation), the Parish shall reimburse the Diocese at cost, provided that the Diocese may request that third parties bill the Parish directly. The Diocese shall also be entitled, in its sole discretion, to surcharge the Parish for the direct subcontracting of the sums. The amount of the surcharge shall be determined by the Diocese, giving consideration to the time and expense incurred by the Diocese in contracting with its subcontractors.

Section 2.04 Annual Adjustment. It is the intention of the parties hereto that compensation for Services rendered by the Diocese under this Agreement shall be based on the reasonable value of the services. In order to effectuate this intent, the Diocese shall review the Parish's financial status annually in the spring, and prepare next year's Cathedraticum.

ARTICLE 3 **TERM AND TERMINATION**

Section 3.01 Term. The term of this Agreement shall commence on the 1st day of January, 2011, and automatically continue until terminated, at the option of the Diocese, on 180 days written notice to the Parish, upon the appointment of a receiver or trustee to manage the assets of the Parish or an assignment for the benefit of creditors of the assets of the Parish or any act of bankruptcy by the Parish, when any of the same are not cured or rescinded within 90 days of the underlying occurrence.

Section 3.02 Changes in Law Requiring Modification. If any legislation, regulation, rule or court decision has a material adverse effect on the operation of this Services Agreement or jeopardizes the independent status of either of the parties or denies expected compensation because of any of the provision of this Services Agreement, then the parties shall attempt to amend this Services Agreement so as to avoid any adverse consequences. If the parties, acting in good faith, are unable to make such amendment, this Services Agreement shall at the option of the Diocese be terminated or, by an act of the Bishop, may be modified, to cure the matter imposing a potential termination.

Section 3.03 Modification by Diocese. The Diocese may modify the scope or source of services provided hereunder, at any time by giving written notice of the modification to the Parish.

Section 3.04 Effect of Termination or Modification. Upon any termination or modification of this Services Agreement, for whatever reason, the Diocese shall be entitled to receive all amounts accrued and unpaid up to the time of such modification or termination.

ARTICLE 4 **INDEMNIFICATION; LIMITATION OF LIABILITY**

The Diocese and its agents, designees and employees, and the successors and assigns of any of them, shall not be liable for any loss incurred by the Parish occasioned by acts

performed (or not performed) by them, or advice or assistance given by them, in good faith in the performance of their duties hereunder, and in any event shall be liable only for willful wrongdoing or gross negligence and not for honest errors of judgment; provided, however, that in no event shall the Diocese or its subcontractors be held liable for any consequential damages or for any loss of profits suffered by the Parish or by any third party. The Parish agrees to indemnify and hold harmless the Diocese and its agents, employees and designees, and the successors and assigns of any of them, from and against all costs, damages, judgments, attorney's fees, expenses, obligations and liabilities of every kind and nature which they or any of them may incur, sustain or be required to pay in connection with or arising out of the performance of their obligations hereunder (unless the costs, damages, judgments, fees, expenses, obligations or liabilities are incurred in connection with or arise out of willful wrongdoing or gross negligence). This Article 4 shall survive the termination of this Agreement.

ARTICLE 5 **RESOLUTION OF DISPUTES**

Section 5.01 Jurisdiction of Canonical Administrative & Tribunal System. In the event that a dispute arises under or with respect to the interpretation or application of this Services Agreement as to the Diocese and the Parish, the parties shall first meet and confer in a good faith effort to resolve the dispute. If necessary or desirable, the parties may agree to ask a third party to mediate or arbitrate the dispute. In the event such efforts are unsuccessful, the dispute shall be submitted to the appropriate tribunal for adjudication as provided by the Code of Canon Law.

Section 5.02 Forum Selection & Mutual Waiver of Civil Court Jurisdiction. The tribunal system established pursuant to the Code of Canon Law shall be the exclusive forum for resolution of disputes arising with respect to this Agreement; the Parish and the Diocese both expressly waive their rights to bring any dispute between them before the civil courts of the State of Nevada or the United States of America, and further waive their rights to a trial by a civil court jury. Unless otherwise specially provided by Diocesan policies, any other dispute arising under this Services Agreement shall be referred to and resolved in accordance with the Code of Canon Law through a canonical process, as contemplated by Section 5.01. Any decision resulting from the canonical process, including from such appeals as may be proper with respect to such disputed matter, shall be binding and enforceable as to all parties subject to or impacted by such decision and shall not be subject to appeal or review in the civil courts of the State of Nevada or the United States of America.

ARTICLE 6 **INTERPRETATION**

This Services Agreement shall be subject to and interpreted in accord with the articles of incorporation and bylaws of the Parish, the canonical statutes of the Parish (if any), Canon Law and the provisions of civil and criminal law applicable to the matters being considered. The Bishop's determination as to the meaning of this Services Agreement shall be final.

Nothing herein contained shall be interpreted to expand the responsibility of the Diocese to provide services to the Parish unless expressly or explicitly provided for herein.

ARTICLE 7
MISCELLANEOUS

Section 7.01 Assignment. This Agreement shall not be assigned or transferred by the Parish without the prior written consent of the Diocese; however, this Agreement may be assigned, in whole or in part, by the Diocese in its sole discretion without prior consent of the Parish.

Section 7.02 Choice of Law. This Agreement shall be construed and governed by Canon Law and by the laws of the State of Nevada. In the event of a conflict, Canon Law shall be controlling.

Section 7.03 Modification. This Agreement shall not be modified or amended except by a written document executed by both parties of this Agreement, and all such written modifications shall be attached hereto.

Section 7.04 Notices.

A. All notices required be given or provided for in this Agreement shall be in writing.

B. All notices required to be given or provided for in this Agreement shall be given by any of the following means: (i) personal service; (ii) electronic communication; (iii) overnight courier; or (iv) registered or certified, first class mail, return receipt requested. Such addresses may be changed by Notice to the other parties given in the same manner as provided for the giving of Notice. Any Notice, demand, or request sent pursuant to either subsection (i) or (ii) hereof shall be deemed received upon such personal service or upon dispatch by electronic means. Any Notice, demand or request sent pursuant to subsection (iii) shall be deemed received on the business day immediately following deposit with a recognized national or regional overnight courier and, if sent pursuant to subsection (iv) shall be deemed received seventy-two (72) hours following deposit into the mail. Notices given pursuant to subsection (ii) shall also be printed and deposited in first class mail with the United States Postal Service on the same day as electronic notice is given unless the recipient acknowledges receipt of the electronic notice.

C. All notices to the Diocese shall be sent to (i) Diocese of Reno, 290 South Arlington, Suite 200, Reno, Nevada 89501, and (ii) to such other person or place as the Diocese may from time to time direct by notice.

D. All notices to the Parish shall be delivered or mailed to _____ Nevada, 89_____, Attention: Pastor, or such other address as the Parish shall designate to the Diocese by notice.

Section 7.05 Waiver. No waiver by either of the parties hereto of any failure by the other party to keep or perform any provision or covenant of this Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same, or of any other provision, covenant or condition. All rights and remedies herein granted or referred to are cumulative; resort to one shall not preclude resort to another or any other right or remedy provided by law.

Section 7.06 Additional Documents. Each of the parties hereto agrees to execute any document or documents that may be requested from time to time by the other party to implement or complete such party's obligations pursuant to this Agreement.

Section 7.07 Non-Exclusive Relationship. The Diocese may represent, perform services for, become employed by, and contract with as many additional schools, parishes, persons, or companies as the Diocese, in its sole discretion, sees fit.

Section 7.08 Severability. It is understood and agreed by the parties hereto that if any part, term, or provision of this Agreement is held to be illegal or in conflict with any applicable law, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term, or provision held to be invalid.

Section 7.09 Paragraph Headings. The paragraph headings appearing in this Agreement have been inserted for the purpose of convenience and ready reference. They do no purport, and shall not be deemed, to define, limit or extend the scope or intent of the paragraphs to which they pertain.

Section 7.10 Binding Effects. Provisions of this Agreement shall bind the parties mutually and their respective successors and assigns.

Section 7.11 Mutual Cooperation. The parties acknowledge that a high degree of communication and cooperation is entailed in fostering a good working relationship between the Diocese and the Parish. Both parties agree to use all reasonable efforts to cooperate with one another and keep one another informed as to information necessary for successful assistance with the management of the Parish.

Section 7.12 Counterparts. This Agreement may be executed in one or more counterparts.

Section 7.13 Relationship between Parties. The Diocese is an independent contractor. This Agreement is intended solely as a service agreement, and no partnership, joint venture, employment, agency, franchise, or other form of agreement or relationship is intended. Each party agrees to be responsible for all of its federal and state taxes, withholding, social security, insurance, and other benefits, and all salaries, benefits, and other costs of its employees, except as otherwise specifically contemplated by the provisions of this Agreement (e.g., where the Parish has agreed to reimburse the Diocese for its costs). From time to time, in connection with the services referred to in this Agreement, the Diocese may act as the

Parish's agent if the Parish requests the Diocese to do so and the Diocese, in its sole discretion, agrees.

IN WITNESS WHEREOF, the parties have executed this Agreement effective the day and year first written above.

“DIOCESE”

THE ROMAN CATHOLIC BISHOP OF RENO,
AND HIS SUCCESSORS, A Corporation Sole

By: _____

Its: _____

“PARISH”

_____ CATHOLIC PARISH
CORPORATION, a Nevada nonprofit corporation

By: _____

Its: President

APPENDIX 1
PAROCHIAL SCHOOLS

Section 1.01. Diocesan Oversight of Catholic Schools. The Bishop has the right and obligation to watch over and inspect all Catholic schools situated in his territory and to issue directives concerning the general regulation of Catholic schools. (Canon 806 § 1.) Under the supervision of the Bishop, those who are in charge of Catholic schools are to ensure that the formation given in them is, in its academic standards, at least as outstanding as that in other schools in the area. (Canon 806 § 2.)

Section 1.02. Department of Catholic Schools. To carry out his authority under Canon Law, the Bishop has appointed a Superintendent of Catholic Schools who heads the Department of Catholic Schools. The Bishop has also promulgated the Department of Catholic Schools Administrative Handbook, which sets forth the policies and procedures by which all Catholic schools within the Diocese of Reno shall operate, whether parochial, diocesan or otherwise.

Section 1.03. Relationship of Parish to Department of Catholic Schools. The authority of the Bishop, and therefore of the Superintendent, over Catholic schools is derived from Canon Law and is identical to the authority exercised prior to the separate incorporation of the Parish. With respect to the services provided to schools under this Agreement, the parish school is directly answerable to the Superintendent. The Superintendent of Catholic Schools shall work with the school principal and other school employees to accomplish the objectives set forth herein, i.e., the Superintendent need not go through the Parish Board of Directors to exercise his or her authority.

Section 1.04. Services Provided. The Diocese, by and through the Department of Catholic Schools, shall provide all services set forth in Section 1000 of the Department of Catholic Schools Handbook, as revised from time to time, which shall be deemed incorporated by reference herein.

Section 1.05. Additional Services. In addition, the Diocese shall provide the following services related to Catholic schools:

A. Provide consultation regarding legal and insurance claim matters. This may include the following: (i) facilitate the filing of claim reports with the insurance companies of the School; (ii) assist with the administration of legal claims processing against the School; (iii) assist School with negotiations for the settlement, compromise or satisfaction of claim(s) asserted by or against the School. The principal of the school shall contact the Diocesan Finance Department whenever attorney or insurance claim services are needed.

B. The Parish acknowledges and agrees that the Diocese's performance hereunder is contingent on the Diocese's receipt of timely notice from the school of the assertion of any claim against the School or knowledge of facts that the school reasonably believes may lead to the filing of a claim against the school. Therefore, the school shall promptly notify the Diocese of the existence of any and all claims, demands, crimes, or the

presence of facts which the school reasonably believes may lead to a claim, charge or demand against the school. The school shall make available to the Diocese all information and assistance that the Diocese may reasonably request. The Diocese may retain legal counsel on behalf of the school to assist the school, as the Bishop deems necessary in his sole discretion. The Diocese may engage its own counsel or outside counsel to assist the school.

B. Coordinate Alternative Health and Environmental Response Actions (“AHERA”) compliance, including assisting the principal or the Pastor, as necessary, with maintaining an approved and updated Management Plan (as defined in AHERA) in the school office. The plan shall include information about the location and condition of asbestos containing materials in the school, as well as inspection and surveillance records and copies of annual notices to parents, faculty, staff, and short-term workers. The school has the responsibility to annually notify parents, faculty, staff and short-term workers (e.g., telephone repair workers, utility workers or exterminators) who may come in contact with asbestos in the school, using the form letters and notices to be provided by the Department of Catholic Schools. Copies of all notices shall also be sent by the school to the Department of Catholic Schools. Notwithstanding any other provision contained herein, the cost of the compliance inspections, if any, shall be borne solely by the school.