

Middletown Community Foundation

NON-ENDOWED ADVISED FUND AGREEMENT

This **ADVISED FUND AGREEMENT** (Agreement) is made on this _____ day of _____, _____, between Middletown Community Foundation, an Ohio nonprofit corporation and community foundation (Foundation), and _____ (Charitable Donor), to create an Advised Fund (Fund) of the Foundation.

1. Introduction

- (a) The Foundation is a publicly supported community foundation exempt from federal income taxation pursuant to sections 501(c) (3) and 170 (b)(1) (A) (vi) of the Internal Revenue Code.
- (b) The Foundation believes that the establishment of Advised Funds as component parts of the Foundation will assist the Foundation in carrying out its charitable purposes through encouraging additional gifts, bequests and transfers of monies and properties to the Foundation.
- (c) The Charitable Donor, in order to support the charitable purposes of the Foundation, desires to establish an Advised Fund, to be owned by the Foundation and to be subject to the terms and conditions set forth in this Agreement.
- (d) This agreement is subject to the variance power of the Board of Trustees of Middletown Community Foundation which shall have the power to modify any restriction or condition on the distribution of funds for any specified charitable purposes or to specified organizations, or, in their sole judgment (without the approval of any trustee, custodian, or agent), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the Greater Middletown area.

2. Name of Fund

The name of the Fund created hereby is:

_____ Donor Advised Fund

3. Property Constituting Fund

Upon signing this Agreement, any person or organization may make contributions to the Fund, which is created for the purposes and uses and upon the terms and conditions set forth in this Agreement. The Middletown Community Foundation has exclusive legal control over any contributed assets.

4. Benefits to Donors from Distributions

Neither the Donor (s) nor any other person may receive any tangible benefit or privilege in return for a distribution from the Fund. It is understood that no distributions will be used to discharge or satisfy a legally enforceable pledge or obligation of any person, including the donor.

5. Policies Governing Donor Advised Funds

It is understood that this Fund will be administered for charitable purposes in accordance with the "Policies Governing Donor Advised Funds," a copy of which will be provided as part of this agreement.

6. Component Part

The Fund shall be administered in strict compliance with the governing instruments of the Foundation including the Articles of Incorporation and Code of Regulations, all as amended from time to time, and any resolutions and procedures from time to time in effect. All the provisions of such governing instruments of the Foundation and such resolutions and procedures are incorporated in this Agreement and by this reference made a part hereof.

It is intended that the Fund shall be a component part of the Foundation and not a separate trust, and that nothing in this Agreement shall affect the status of the Foundation as an organization described in Section 501(c) (3) of the Internal Revenue Code of 1986, as amended, and as an organization which is not a private foundation within the meaning of Section 509 (a) of the Code. This agreement shall be interpreted to conform to the requirements of the foregoing provisions of the federal tax laws and any regulations issued pursuant thereto. The Foundation is authorized to amend this Agreement to conform to the provisions of any applicable law or government regulation in order to carry out the purposes of this Fund. References herein to provisions of the Internal Revenue Code of 1986, as amended, shall be deemed references to the corresponding provisions of any future Internal Revenue Code.

6. Use of the Fund

Charitable Donor or his or her designee may from time to time submit to the Foundation recommendations for disbursements to charitable organizations which are consistent with the specific charitable needs of the Foundation. The Foundation shall consider and evaluate all such recommendations, but such recommendations will be solely advisory and the Foundation shall not be bound by such recommendations.

7. Investment of Assets of the Fund

All assets held as part of the Fund shall be invested by the Foundation in accordance with its general investment policies and objectives approved by the Board of Trustees from time to time. Fund assets may be commingled with other assets of the Foundation for investment purposes, provided that accurate accounts are kept of the Fund's share of any such commingled funds

- 8. Recommendations for Allocations from Fund:** The following person and/or persons shall represent the Fund in making recommendations in written form to Middletown Community Foundation during his or her lifetime:

Successor advisors shall assume the role of making recommendations to the Middletown Community Foundation following the death of the above-named advisor in the following order:

9. Disposition of Fund

At the death of the donor:

Assets held in the Fund become an unrestricted permanent endowment, allowing the Distribution Committee to make grants from the fund without restriction.

The first successor advisor will continue to make recommendations under the policies and procedures established by the Foundation, with each subsequent successor advisors assuming the role upon the death of his or her predecessor successor advisor.

The Distribution Committee is to make grants from the fund in the following field of interest: _____

Assets held in the Fund are used to create a permanent Designated Fund to benefit the following organization (s). Minimum balance of \$10,000 per organization.

- o Organization _____
- o Address _____
- o Contact Person _____

- o Organization _____
- o Address _____
- o Contact Person _____

- o Organization _____
- o Address _____
- o Contact Person _____

10. Fees

Middletown Community Foundation shall charge reasonable and normal administrative fees as determined by the Board of Trustees in exchange for providing the above- enumerated services. The Fund shall also be assessed any fees or expenses charged to the Foundation by an investment manager, bank or other custodian of the Fund.

IN WITNESS WHEREOF, Middletown Community Foundation and the Donor have executed this Agreement as of the day and year first written.

Middletown Community Foundation

By: _____
Executive Director

Charitable Donor

By: _____