

DONOR-ADVISED FUND

TERMS AND CONDITIONS



1. TAX STATUS

The Fund will be a charitable Donor-Advised Fund, as defined in the Internal Revenue Code. It will be administered pursuant to the Federation's policies, including the Federation's Donor-Advised Fund Policies and Procedures, which may be amended from time to time. The Federation may amend this Agreement to conform to the provisions of any applicable law or regulation.

2. FUND PROPERTY

The Fund will consist of all property transferred to the Federation for deposit in the Fund, any capital appreciation thereon, and all net income derived from the investment of such property.

3. MINIMUM FUND BALANCE

The Fund must maintain a minimum balance of \$500. The Federation may not approve grant or loan recommendations that would reduce the balance below this minimum.

4. FUND OWNERSHIP

The Fund shall be a component part of the Federation, not a separate entity for tax purposes. Nothing in this Agreement may affect the Federation's status as a qualified charitable organization within the meaning of Section 501(c)(3) and as an organization that is not a private foundation within the meaning of Section 509(a) of the Code. This Agreement will be interpreted in a manner consistent with the foregoing intention and in conformity with all applicable laws and regulations. The Federation will have the ultimate ownership, authority and control over all Fund property for the Federation's charitable purposes.

5. FUND DISTRIBUTIONS

The Federation will have sole and independent discretion over all matters pertaining to fund distributions; however, a Fund Advisor may submit non-binding recommendations for the Federation's consideration.

6. TERMINATION OF ADVISORY PRIVILEGES

Unless succession plans exist, a Fund Advisor's privilege to recommend grants will terminate upon the Fund Advisor's death or incapacitation. At such time, the Fund will cease to be a Donor-Advised Fund, and the Fund will be transferred to the Federation's Unrestricted Endowment Fund. Should succession plans exist, the Federation will strive to adhere to them when feasible to do so.

7. FEES

Fees will be assessed to the Fund as follows:

- 1.0% on the first \$3 million;
- 0.75% on the next \$7 million;
- 0.5% on the next \$15 million;
- 0.25% on fund assets over \$25 million.

If the assessment of fees generates an annual fee less than \$100, a minimum annual fee of \$100 will be applied to the Fund. Fees are charged on a quarterly basis and are based on the average daily value of all cash and non-cash assets held in the Fund. Fees are subject to change with advance written notice.

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8. PROHIBITED USES

Grants cannot be made to individuals or for non-charitable purposes; for political contributions or to support political campaign activities; or for any purpose that would provide benefits, goods or services to the donor of the Fund, to a Fund Advisor or to other related parties. A Fund Advisor is subject to IRS penalties if a Fund Advisor, donor, or other related parties receive benefits, goods or services in connection with a grant recommendation, including grants to satisfy pledges made by any person and non-deductible, or partially tax-deductible, memberships, event tickets, sponsorships, registration fees in tournaments, and cause-related marketing activities. Grants to private non-operating foundations are disallowed. Grants must adhere to the Federation's grantmaking guidelines, which may be amended from time to time.

9. INACTIVE FUNDS

Fund Advisors must recommend at least one grant or impact loan annually or the Fund will move to "Inactive" status. Upon notification, Funds in "Inactive" status have 90 days to recommend a grant or impact loan, after which time, the Federation reserves the right to take action at its discretion, up to and including closure of the fund due to inactivity.