

DONOR ADVISED FUND GIFT AGREEMENT

THE STATE OF TEXAS

COUNTY OF TOM GREEN

This agreement made effective on the ___ day of _____ 20__, by and between the **SAN ANGELO AREA FOUNDATION**, a Texas nonprofit corporation having its principal place of business in Tom Green County, Texas, hereinafter called "**the Foundation**," and _____, resident(s) of _____ County, Texas, herein called "**Donor**", shall be as follows:

WITNESSETH:

ARTICLE ONE

Section 1. The Donor hereby gives, assigns, transfers and conveys to the Foundation a gift of \$_____ [or detailed in Exhibit] as an irrevocable gift from the Donor to the Foundation. This gift and any additions thereto, shall be known as the _____ **Fund** (hereinafter called "**the Fund**") and will be administered as further detailed in this Agreement.

Section 2. Articles of Incorporation and By-laws of the Foundation as they exist from time to time are incorporated herein by reference and made a part hereof. Together they constitute the governing instrument of the Foundation and reference to that term shall be deemed to refer to both documents. The Donor hereby agrees that the Fund will be administered by the Foundation subject to its governing instruments. As set forth in tax regulations, **1.170A-9(e)(11)(V)(B), (C), and (D)** and Section 1(g) of Article VIII of the Foundation's by-laws, the board of directors of the Foundation shall have the power to modify any restriction or condition on the distribution of funds for any specified charitable purposes or to specified organizations if in the sole judgment of the board such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the community or area served.

Section 3. From time to time the Donor or other Donors may make gifts to or for the use of the Fund by naming or otherwise identifying the Fund. Such gifts will be held and administered as part of the fund in accordance with this Agreement.

ARTICLE TWO

Section 1. The assets of the Fund shall be held and administered by the Foundation, acting by and through its Board of Directors, and its authorized officers, and agents. Assets of the Fund may be kept separate from other Foundation assets, or alternatively, may be commingled with other Foundation assets. However, the Foundation shall at all times maintain accurate records showing the proportions of the assets to be included within the Fund, both as to principal and income. The assets of the Fund may be invested and reinvested from time to time in any securities, obligations or other property of any kind that the Foundation may deem advisable, including, but not limited to, interest bearing accounts, certificates of deposit, common stock and common trust funds

administered by the Foundation. The Investment Policy of the Foundation, as it exists from time to time, shall guide the Foundation and its Investment Managers in order to maximize Total Return while providing professional management and preservation of capital for the benefit of the Fund. The Foundation shall provide financial reports of the Fund and shall provide for an annual audited financial statement of the Foundation.

[non-endowed or quasi endowed section option]

Section 2. It is the intent of the Donors that the Fund will be managed as a quasi-endowed fund and will use the total net investment return of the Fund as well as principal to provide grants as outlined in Article Three. Said grants should be five percent annually of a rolling twelve quarter average of the total market value of the fund. “Total Return” shall include capital gains as well as dividend and interest income; however, the Donor may also recommend grants from the principal of the Fund.

[endowed section option]

Section 2. The Donors intend to create a fund that is permanently endowed. Each year the Foundation will determine the amount allowed for distributions by applying its spending policy for endowed funds to assets in the fund to provide grants as further detailed in Article Three.

ARTICLE THREE

Section 1. During their lifetimes, _____ and _____ or the survivor of them will be invited from time to time to submit recommendations of distributions to be made from the Fund and to consult with the Foundation about the use of the Fund for charitable purposes consistent with the governing instrument of the Foundation. All recommendations are advisory in nature. The Foundation will independently determine whether recommendations it receives are consistent with the Foundation’s charitable purposes. The Foundation may accept or reject recommendations.

Section 2. The Donors may elect to recommend to the Foundation a successor donor advisor(s) to this Fund upon the death, incapacity, or other disqualification of the last of the Advisors named above. Said successor donor advisor(s) are bound by the advice and consult capacities outlined in this agreement afforded the original Donors. *[list of successor advisor(s) if applicable]*

Section 3. The Board of Directors of the Foundation has final authority over all funds, investments, and grant distributions, and the Foundation may not be bound by the advice offered by an advisor or a successor donor advisor(s). However, the Foundation desires to keep faith with the intents, desires and purposes expressed by the Donor consistent with the Foundation's governing instrument, the Foundation’s Donor Advised Fund Policy, and the charitable needs most deserving of support as determined by the Board of Directors of the Foundation. Failure of any successor donor advisor(s) to adhere to the policies of the Foundation may result in the Foundation’s ability to terminate a successor donor advisor(s) role in advice and consulting regarding grant recommendations pertaining to this Fund.

Section 4. The Foundation cannot make distributions to fulfill any pledge, obligation, or membership, or to support any activity from which a Donor, Advisor or related party will receive a benefit.

Section 5. Should the Donor, or the successor Donor Advisors, fail to recommend grant distributions from this Fund for more than three years consecutively, this Fund shall become an Unrestricted Fund, maintaining the original name of the Fund. Earnings from this fund will be granted to any other qualified charitable organization as defined in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and may be amended from time to time. The Foundation may consider the original purpose of the gift and those individuals, groups, or causes that the Donor sought to benefit in making such distribution.

ARTICLE FOUR

The Fund will be assessed fees by the Foundation in accordance with the fee schedule set by the Board of Directors as defined in the Financial Administration Policy of the Foundation as they exist and may be amended from time to time. The Foundation may also assess the fund to cover any unusual expenses incurred in connection with the contributed assets, including the cost of disposing of them, and in the administration of the Fund.

ARTICLE FIVE

To recognize and honor our donors, the Foundation's policy is to include our donors' names in publicity about the Foundation unless they wish to remain anonymous. Please check the box below that best describes your wish regarding publicity:

- I have no objection to the inclusion of my name in Foundation publicity
- I do not wish to have my name included in Foundation publicity and I wish to be listed as an anonymous donor

EXECUTED this ___ day of _____, 20__

SAN ANGELO AREA FOUNDATION
By: Matt Lewis – President & CEO

DONOR
By:
