

COMMUNITY FOUNDATION FOR LOUDOUN AND NORTHERN
FAUQUIER COUNTIES
DONOR ADVISED FUND

1. Gift. I wish to establish a component fund with Community Foundation for Loudoun and Northern Fauquier Counties (hereafter “the Foundation”), a Virginia nonprofit corporation registered as Piedmont Community Foundation, with the gift of the following-described property:

\$XXXX via check/stock gift/etc.

The initial contribution equaling or exceeding \$10,000.00, will be placed in a separate subaccount maintained by the Foundation. All monies shall immediately upon contribution become the property of the Foundation over which the Foundation shall exercise exclusive legal control, and shall not be refundable under any circumstances.

2. Fund Name: Fundraising/Outreach. The fund shall be known as the “Community Foundation for Loudoun and Northern Fauquier Counties **PHILANTHROPIC FAMILY Fund**” which name shall be used at all times when referring to the fund (hereafter “the Fund”).

Any public display, event, or fundraising program that mentions the Fund shall require prior written consent of the Foundation.

3. Administration.

a. The Fund is intended as a perpetual endowment for charitable purposes and shall be dedicated to the payment of grants from time to time as described herein (hereafter “the charitable purpose”) in the amounts determined under the Foundation’s Distributions Policy in effect from time to time.

b. Since this Fund is a donor-advised fund, recommended distributions approved by the Foundation’s board may be made in excess of such amounts to provide for increased distributions for the purposes described herein, as long as the amount remaining in the Fund after the recommended distributions are made, known as the minimum permanent endowment value, will be at least \$10,000.

c. I recommend that the investment advisor that shall hold the Fund shall be determined by the Board of Directors or its designated committee.

d. The Fund shall be open-ended, i.e., additional contributions of cash or property are permitted to be made by any person or entity.

e. I recognize that the Foundation's administrative fee of one percent (1%) will be calculated and deducted from the Fund under the Foundation's Distribution Policy. In addition, investment fees as assessed by investment advisors will be calculated and deducted from the Fund.

At its discretion and upon notice to the donor advisors, the Foundation may apply a one-time two percent (2%) fee to gifts received and designated as "pass through" and immediately recommended for grant distribution by the donor advisors.

4. Charitable Purpose. The intent of the Fund is to provide distributions to charitable programs and organizations serving but not limited to northern Fauquier and Loudon Counties, Virginia.

5. Grantmaking Advisors: The identity of the grant recipients and the number of grants to be given shall be recommended by the Advisory Committee and forwarded to the Foundation's Board of Directors or designated committee and approved at the discretion of the Board of Directors of the Foundation. We recognize that the Board of Directors of the Foundation is free to accept or reject such recommendations. In the event of the termination of the Advisory Committee, the identity of the grant recipients and the number of grants to be given annually shall be recommended by the Foundation's designated Committee and approved at the discretion of the Board of Directors of the Foundation, with special consideration for those particular purposes for which grants have historically been made from the Fund.

The Advisory Committee shall consist of the following:

- a. Name
- b. Name
- c. Name

Any member may resign at any time and additional members may be appointed to the Advisory Committee by the Advisory Committee. Any vacancy on the Advisory Committee shall be filled by the vote of a majority of the remaining members of the Advisory Committee.

Should no Advisory Committee recommendations be made for five successive years, the Foundation's designated Grantmaking Committee shall be authorized to assume selection responsibility and apply the criteria for grants selection as set forth in this agreement.

6.Variance Power; Investment Authority. We recognize and consent that the Fund is subject to the terms and provisions of the Articles of Incorporation and Bylaws of the Foundation, including the ability of the Board of Directors of the Foundation (a) to modify any restriction or condition on the distribution of funds for any specified charitable purpose or purposes or to a specified charitable organization or organizations if in the sole judgment of the Board (without the necessity of the approval of any participating trustee, custodian, or agent), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community or area served; (b) to replace any participating trustee, custodian, or agent for breach of fiduciary duty under Virginia law; and (c) to replace any participating trustee, custodian, or agent for failure to produce a reasonable return of net income over a reasonable period of time, as determined by the Board all without the necessity of obtaining my approval or the approval of any other person or interested party.

The Foundation is authorized, at its discretion, to direct the investment advisor to invest any part or all of the Fund in securities or in other property, real or personal, as ordinarily prudent businesspeople are investing their own funds from time to time, without regard to any statute or law now or hereafter in force in the Commonwealth of Virginia restricting investments made by fiduciaries.

7. Limitations: Grants to Individuals; Closely Held Stock; Reimbursement; Pledges; Self-Benefit. Since this Fund is a donor-advised fund, I recognize that grants to individuals or for non-charitable purposes are prohibited by law.

I recognize that the Fund will not hold interests in any closely-held businesses, unless specific provision is made therefore.

I recognize this Fund cannot provide any loans, grants, compensation, or other similar payments, including expense reimbursement, or in any way provide benefit, to me or any of my family members, or to any Advisory Committee member or the family members thereof, or to any entity controlled thereby. For the purposes of this letter, the term "family member"

with respect to an individual shall mean his or her spouse, and his or her brothers and sisters, ancestors, and descendents, and the spouses thereof.

I also recognize that no grants or gifts from the Fund shall be recommended or made that fulfill pledges to give made by me or an Advisory Committee member, or that create personal gain to me or an Advisory Committee Member (such as, but not limited to, events tickets or tables).

8. Fund Acceptance. I recognize that the Fund must be approved by the Board of Directors of the Foundation, and will not be approved if implementation of the objectives of the Fund are not within the parameters permitted so that such implementation would negatively impact on the Foundation's status as a tax-exempt organization exempt from income taxes as a community foundation under Internal Revenue Code Section 501(c)(3).

Donor _____ Date _____

ADDRESS **SAMPLE**

APPROVED AS AUTHORIZED:
Community Foundation for Loudoun and Northern Fauquier Counties

President _____ Date _____