



COMMUNITY
FOUNDATION
OF GREATER MEMPHIS

**AGREEMENT ESTABLISHING A DONOR-ADVISED FUND OF
COMMUNITY FOUNDATION OF GREATER MEMPHIS**

THIS AGREEMENT, made and entered into the _____ day of _____, 20____, by and between Community Foundation of Greater Memphis (hereinafter "Community Foundation") and _____(hereinafter "Donor").

NOW, THEREFORE, the parties agree as follows:

1. Name of Fund

The name of the Fund shall be the _____ Fund of the Community Foundation of Greater Memphis (hereinafter "Fund").

2. Transfer of Assets

Donor has transferred and assigned to Community Foundation all of the Donor's right, title and interest in and to certain assets listed on Schedule A of this Agreement for the purpose of creating a component fund of the Community Foundation.

All parties hereto agree and approve any future changes in terms, conditions or language as may be necessary or incidental to reform this agreement to conform to any existing or subsequent IRS requirements.

3. Conditions of Acceptance

Donor acknowledges the assets transferred to the Community Foundation shall be subject to all the terms and conditions of the Charter and Bylaws of the Community Foundation as they now exist and as they may from time to time be amended. A copy of those documents is available immediately upon request. Donors to the Fund may not impose any material restriction or condition that prevents the Community Foundation from freely and effectively employing the contributed assets, or the income derived therefrom, in furtherance of its charitable purposes.

4. Donor Recommendations

In accordance with the rights reserved to Donor pursuant to Article XIII of the Bylaws of the Community Foundation, Donor recommends that the Fund not be restricted to any particular field or charitable purpose. However, Donor may set forth on Schedules B and C hereto attached

specific recommendations for the administration of the Fund, including its intended charitable purposes, appropriate geographical limitations, and preferred investment pools. Should the Fund's purpose, as outlined in Schedule C, become unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community, Community Foundation may exercise its variance power under Article XIII of its Bylaws. The exercise of such power shall not be effective earlier than at least thirty (30) days after Community Foundation notifies any current fund advisors in writing of its intent to exercise such power and the manner in which Community Foundation proposes to vary the purposes, uses or methods of administering the Fund.

5. Distributions

The Fund will be endowed: _____ yes _____ no.

If yes, the amount distributed annually from the Fund will be:

- a fixed dollar amount \$_____, OR
- a fixed percentage of Fund balance _____%.

(The annual distribution should not exceed 5 percent of the Fund balance.)

6. Fund Advisors and Sunset Provisions

_____ and _____ or the survivor for the term of each of their lives are hereby constituted Advisors to the Board of Governors of the Community Foundation (hereinafter "Advisors"). Upon the death of the survivor of the original Advisors, _____ and _____, are hereby constituted Advisors to the Board. The said Advisors have been appointed for the purpose of making recommendations and giving advice and counsel to said Board regarding Fund issues not previously provided for by Donor, and with their advice and counsel the Board shall oversee the Fund's administration. If the Fund continues beyond the lives of the named Advisors, or if the named Advisors shall for a period of five (5) consecutive years fail to make recommendations to the Board of Governors, or if the Donor has not provided Schedule C outlining charitable purposes the Fund is to serve, the Board of Governors will determine the disposition of the assets

7. Minimum Contribution and Fund Balance

The initial contribution to the Fund must be at least \$10,000, and the Advisor(s) must maintain a balance of at least \$500. (Funds established to receive deferred gifts through trusts or estates may be exempt from the initial contribution requirement.)

8. Additional Contributions

The Community Foundation may receive and accept additional assets to be added to the Fund from any person, institution, trust or entity who or which desires to contribute thereto and have such assets administered and distributed in accordance with the provisions hereof. Said intent shall be presumed conclusively from the receipt of any assets, security, or check designated for the Fund.

9. Cost of Administration

The Community Foundation will charge its ordinary and customary administrative fees based on the prevailing schedule for such fees (which schedule is subject to revision or amendment from time to time) as published by the Community Foundation. As of the date of this Agreement, the prevailing schedule for administrative fees is as shown on Schedule D attached hereto. The Fund

may also be charged regularly for a proper allocation of direct and indirect expenses attributable to the administration of the Fund and its assets.

10. Representation of Community Foundation

Community Foundation represents to Donor it has received a ruling from the Internal Revenue Service that it is an organization described in Internal Revenue Code Sections 501(c)(3), 170(b)(1)(A)(vi) and 509(a)(1); that the facts and circumstances forming the basis for the issuance of the ruling have not substantially changed since the date of issuance thereof; and that the ruling has not been expressly or impliedly revoked.

The following Schedules are attached and made part of this agreement: Schedules A, B, C and D.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and date first above written.

DONOR SIGNATURE **DATE**

DONOR SIGNATURE **DATE**

PRESIDENT OF COMMUNITY FOUNDATION OF GREATER MEMPHIS **DATE**

SIGNATURE OF FOUNDATION STAFF/ TITLE **DATE**

CONTACT INFORMATION FOR ADVISORS TO THE DONOR-ADVISED FUND

Please complete for all current advisors to the fund.

Mailing Information (for statements, invitations, newsletters, etc.)

Mr. ___ Mrs. ___ Ms. ___ Mr. & Mrs. ___ Other _____

Name(s) of Advisor(s): _____

Mailing address: _____

Phone: (H) _____

Donor 1 : (C) _____ (O) _____

Email Address: _____

Donor 2: (C) _____ (O) _____

Email Address: _____

If the advisors do not reside with each other, please provide information for second advisor:

Mr. _____ Mrs. _____ Ms. _____ Other _____

Name of Advisor: _____

Mailing Address: _____

Phone: (H) _____ (O) _____

(C) _____

Email Address: _____

Relationship: _____

SCHEDULE A

Estimated Value of Initial Contribution:

-
- Cash _____
 - Real Property (address) _____
 - Personal Property _____
 - Stocks _____
 - Bonds _____

If giving securities, please identify those securities and name the broker and firm handling the transfer.

Name of security: _____
Broker: _____
Firm: _____

If gift is deferred or a split interest, please check type:

- Bequest
- Life Insurance
- Retirement Plan
- Charitable Remainder Trust
- Charitable Lead Trust
- Life Estate
- Other _____

SCHEDULE B

Investment Recommendations

I/we recommend to the Community Foundation of Greater Memphis that the assets in the _____ Fund be invested in the following manner:

Actively Managed

Allocation Percentage*

Fixed Income Pool – Active

A pool that invests in a diversified mix of bonds including U.S. government, U.S. government agency, and U.S. investment-grade corporate bonds with intermediate maturities.

Balanced Pool – Active

A pool that seeks to generate returns through an actively managed, globally diversified mix of asset classes and investment strategies. The pool invests in U.S. equity, international equity, emerging market equity, and U.S. fixed income, as well as alternative strategies which include hedged strategies, private equity, and real assets.

Equity Pool – Active

A pool that seeks to generate returns through an actively managed, globally diversified mix of equities and equity-oriented strategies. The pool invests in U.S. equity, international equity, emerging markets equity, and hedged equity strategies.

Longleaf Pool

An actively managed equity pool that seeks to generate returns through the Longleaf Partners, Longleaf Small Cap, and Longleaf International Funds.

Indexed

Balanced Pool – Indexed

A pool designed to closely track the returns of a mix of global equities and U.S. fixed income. The pool invests in three index funds that track the U.S. equity market, international equity markets, and the U.S. fixed income market, respectively.

Fixed Income Pool – Indexed

A pool designed to closely track the returns of the U.S. fixed income market.

U.S. Equity Pool – Indexed

A pool designed to closely track the returns of only the U.S. equity markets.

International Equity Pool – Indexed

A pool designed to closely track the returns of only the international equity markets.

Cash Equivalent

Cash Equivalent Pool

A pool designed to preserve capital. The pool invests primarily in high-grade U.S. government and corporate bonds with maturities of less than one year and money market funds.

SCHEDULE B – CON'T

<u>Other</u>	<u>Allocation Percentage*</u>
<i>Outside Investment Manager</i> Minimum \$500,000, with approval of Community Foundation of Greater Memphis. (Additional fee applies.)	_____
Firm: _____	
Contact: _____	
Address: _____	
Phone: _____	Email: _____

DONOR SIGNATURE

DATE _____

DONOR SIGNATURE

DATE _____

Note: Detailed investment information is updated regularly at www.cfgm.org. All funds received are invested in the investment pools selected as of the last day of the month. Daily liquidity is provided for fund distributions.

**Allocation percentages must total 100%*

SCHEDULE C

Please use this space to provide more details about your charitable interests or to convey your wishes for the future. You may wish to check one of the statements below.

- Upon the death of the original Advisor(s), this fund shall be advised by the Board of Governors of the Community Foundation for the benefit of the community.

- I (We) intend to use this fund for current charitable giving and have not made future plans for the fund at this time.

DONOR SIGNATURE

DONOR SIGNATURE

DATE

DATE

SCHEDULE D

Community Foundation of Greater Memphis Administrative Fees

Administrative fees for all funds are charged quarterly in arrears and are calculated based on the average daily balance of the fund for the quarter.

Donor-Advised Funds

Administrative fee	
1.25% on the fund's balance from \$0 - \$499,999	
1.15% on the fund's balance from \$500,000 - \$999,999	
1.00% on the fund's balance from \$1,000,000 - \$1,999,999	
0.75% on the fund's balance from \$2,000,000 - \$2,999,999	
0.50% on the fund's balance from \$3,000,000 - \$4,999,999	
0.25% on the fund's balance from \$5,000,000 - \$9,999,999	
0.15% on the fund's balance from \$10,000,000 - \$24,999,999	
0.10% on the fund's balance from \$25,000,000 - \$49,999,999	
0.05% on the fund's balance \$50,000,000 and higher	
Minimum annual fee (No minimum fee for endowed funds)	\$200
Additional fee for funds using outside investment manager	0.10%
Minimum additional fee for using outside investment manager	\$500
Minimum holding time for pass-through gifts (or an equivalent fee)	3 mos.

Nonprofit Organization Funds

Administrative fee:	
0.50% on the fund's balance	
Minimum annual fee	\$200

Supporting Organizations

Administrative fee	
Donor-advised fund fee schedule plus 0.10%	
(not to exceed an additional \$2,000 per year)	
Minimum annual fee	\$24,000
Minimum annual fee using outside investment managers	\$26,000

Scholarship Endowments

Administrative fee	
1.25% on the fund's balance	
Minimum annual fee	\$500

Field of Interest Endowments and Designated Endowments

Administrative fee	
Same as Donor-advised fund schedule above	
Minimum annual fee	None

Community Endowments

Administrative fee	
1.0% on the fund's balance	
Minimum annual fee	None

ATTACHMENT 1

**NAME OF PROFESSIONAL ADVISOR WHO REFERRED YOU TO
THE COMMUNITY FOUNDATION**

Name: _____

Firm: _____

Mailing Address:

Phone: (O) _____

Email: _____

**NAME OF FRIEND/FAMILY MEMBER WHO REFERRED YOU TO
THE COMMUNITY FOUNDATION**

Name: _____

Mailing Address:

Email: _____

ATTACHMENT 2

SUCCESSOR ADVISORS TO THE DONOR-ADVISED FUND

If you appointed a successor advisor(s) to the fund, please complete the following information.

Name of Successor Advisor:

Mailing Address:

Phone: (H) _____ (O) _____

(C) _____

Email Address: _____

Relationship: _____

Would you like this person to receive mailings from the Community Foundation?

Yes No

Name of Successor Advisor:

Mailing Address:

Phone: (H) _____ (O) _____

(C) _____

Email Address: _____

Relationship: _____

Would you like this person to receive mailings from the Community Foundation?

Yes No