

DRAFT AGREEMENT FOR AN ADVISED FUND

Please note: This example is for reference only. The VCF has different fund types and all original contracts must be created at the Vermont Community Foundation.

Establishing The _____ Fund

Within The Vermont Community Foundation

This Agreement is by and between _____ and _____ of _____, Vermont (hereinafter "DONORS") and The Vermont Community Foundation, a Vermont non-profit corporation with its principal place of business in Middlebury, Vermont.

Background

- 1. The Vermont Community Foundation (hereinafter "Foundation") has been established for the purpose of engaging in non-profit, charitable and philanthropic activities.
- 2. The Donors desire to establish a fund within the Foundation for the purposes set forth below.

NOW THEREFORE,

In consideration of the premises and the mutual promises herein contained, the parties hereto agree as follows.

1. Transfer of Funds. The Donors hereby transfer to the Foundation the funds set forth in Schedule A attached, for the establishment of a separate fund within the Foundation to be known as _____, (the "Fund"). The Fund and all contributions to it are the property of the Foundation.

2. Purposes. The purposes of the Fund are to

3. Gifts. Any person, including the Foundation, may in the future make additional contributions to the Fund.

4. Distributions. The Foundation shall accumulate, grant or expend for the purposes of the Fund so much of the net income and/or principal of the Fund as the Foundation from time to time deems advisable. Determinations as to expenditures

or grants shall be made at least annually. Income not expended or granted shall be added to principal.

5. Variance. If any gifts to the Foundation for the purposes of the Fund, including the original gift under this Agreement, are received and accepted subject to a Donor's restrictions as to the use of income or principal, such restrictions will be honored, subject, however, to the authority of the Board to decide that conditions or circumstances are such or have so changed, since a restriction by a Donor as to purpose, manner of distribution, use, or investment was imposed, that such restriction or condition is unnecessary, incapable of fulfillment or inconsistent with the charitable purposes of the Foundation.

6. Advisory Committee. There is hereby formed an Advisory Committee (the "Committee") which initially shall consist of _____ and _____. The Committee may from time to time make recommendations to the Foundation with respect to distributions from the Fund, in accordance with the procedures outlined in the Bylaws for Advisory Boards to The Vermont Community Foundation, as approved by the Board of Directors on March 23, 1987. The Committee may be expanded and changed from time to time by the Board in consultation with the current member or members of the Committee.

(Please note that this paragraph is not applicable to Donor Designated or Discretionary Funds)

7. Continuity. It is intended that the Fund shall be continued as long as the need therefore exists and money or property is available in the Fund for its purposes. If the Fund is terminated for any reason, including the dissolution of the Foundation, any money or property remaining in the Fund shall be devoted by the Foundation, or distributed, for such purposes as most nearly approximate the purposes of the Fund.

8. Not A Separate Trust. All money and property in the Fund shall be assets of the Foundation, and not a separate trust. All gifts received and accepted by the Foundation for the Fund shall be subject to the terms of the Articles of Association and Bylaws of the Foundation as presently in effect or as each may from time to time be amended.

9. Fees. The Foundation shall assess the Fund fees reasonable to the effective administration of the Fund. Please review the attached fee schedule.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the _____ day of _____, 2009.

THE VERMONT COMMUNITY FOUNDATION

_____ By: _____

Witness Peter Espenshade

President & Duly Authorized Agent

Witness, Donor

Witness, Donor