

Chisholm Trail Communities Foundation
Fund Agreement

Thank you for choosing the Chisholm Trail Communities Foundation. We are committed to connecting you with the community and to the causes that are important to you. Our staff is available to assist you at any time with a wide variety of donor services, from creating your fund to ongoing grantmaking and charitable giving support. Attached to this Agreement you will find CTCF's policy concerning the establishment of funds. If you have any questions about this agreement or the attached policies, please call us at 512.863.4186 or email to tamara@chisholm-trail.org.

If you would like to update information in this fund agreement, please let us know. Likewise, if there are any program updates that may pertain to your fund, we will keep you updated. You will receive quarterly fund reports, but we may send you other updates, as needed. Having your correct contact information ensures that we can effectively communicate with you and keep you informed of the progress of your fund and the work that we do.

1. What Kind of Fund?

Donor Advised Fund

Endowed? Endowment threshold level? _____ (min. pledge \$10,000)
Principal is invested at CTCF. Interest can be reinvested into the endowment, or grantmaking can be made above a certain level.

Nonendowed fund?
Principal and interest will be invested at CTCF and both can be distributed.

Short-term (<36mos) Long-term (>36mos)

- Field of Interest Fund:
- | | | | |
|--------------------------|--------------------------------------|--------------------------|-----------|
| <input type="checkbox"/> | Arts & Culture | <input type="checkbox"/> | Education |
| <input type="checkbox"/> | Early Childhood (0-5) | <input type="checkbox"/> | Seniors |
| <input type="checkbox"/> | Environment | <input type="checkbox"/> | Diversity |
| <input type="checkbox"/> | Health /Human Services | <input type="checkbox"/> | Other: |
| <input type="checkbox"/> | Neighborhoods | | |
| <input type="checkbox"/> | Children & Youth (5-21) | | |
| <input type="checkbox"/> | Fostering the Williamson County area | | |

Scholarship Fund

Organizational/Agency Fund

Endowed? Endowment threshold level? _____ (min. pledge \$10,000)

Other (specify) _____

2. Donor Information

How would you like to be addressed? (e.g. Mr. and Mrs. John H. Smith; John and Sally)

* All correspondence will be sent to this person unless otherwise specified

In printed material, would you prefer to be listed as an Anonymous donor?

Full Name (First, Middle, Last) Preferred Salutation (e.g. Mr. James L. Smith or Jim Smith)

Home Address City State Zip

Date of Birth Send mailings to: Home Office

Business or Organization Name Position

Business Address City State Zip

Home Phone Business Phone E-Mail

Donor 2 (if applicable)

Full Name (First, Middle, Last) Preferred Salutation (e.g. Mr. James L. Smith or Jim Smith)

Home Address City State Zip

Date of Birth Send mailings to: Home Office

Business or Organization Name Position

Business Address City State Zip

Home Phone Business Phone E-Mail

3. Name Your Fund

Please choose a name for your fund. Grants made to charities are accompanied by a letter that includes the fund name (e.g. The John H. Smith Family Fund) and the name and address of the donor advisor. However, you may recommend at any time that grants be made anonymously.

Your fund name will appear in foundation materials, including our annual report and on our web site. If you wish your fund name to be anonymous, please name it accordingly.

Fund Name:

4. Contributions

The minimum initial fund threshold is \$5,000; the CTCF recommends building your fund to at least \$10,000 within three years. Additional gifts can be made in any amount. If making a contribution of multiple securities or assets, please attach pages as needed.

For CTCF use: Please attach copy of related gift documentation (eg copy of insurance policy, check copy, or other appropriate material).

- Check for \$ /IRA/Retirement Plan/Life Insurance (Attach copy of your beneficiary designation form)
- Publicly Traded Securities: shares of closely held stock, Partnership or LLC interest, etc. (Attach asset detail)
- Real Estate (Attach detail of property)
- Bequest or other deferred gift
- Other

5. Investments

Our investment philosophy emphasizes long-term results using a diversified portfolio with a bias toward equities. Our objectives are to obtain investment returns that will:

- provide reasonable funding for charitable distributions;
- increase the value of the corpus at a rate greater than inflation, net of charitable distributions and expenses; and
- provide necessary funding to meet administrative expenses.

The Foundation is pleased to consider your investment preference from among the options listed below. All investment options are reviewed and approved by the Foundation's investment committee. We are happy to discuss these with you any time.

Please select one of the following:

- Vanguard Blended Fund
- American Funds Blended Portfolio

For detailed information about the composition of these portfolios, please contact the Foundation.

Donors with funds greater than \$250,000 may recommend an outside investment manager of their choice. If you wish to discuss this option further, please check here.

Please note that requests to change the investment option of your fund must be made to the Foundation in writing.

6. Fees

The annual administrative fees are as follows:

- First \$500,000: 1.5%
- Next \$500,000: 1.25%
- Next \$1,000,000: 1.00%
- All above \$2,000,000: .75%

These administrative fees will be charged quarterly based on the average balance of the fund over the prior 3-month period. These fees will be charged based on a calendar year. Initial charges to the fund will be prorated based on the number of days the fund was established during that calendar quarter. We attach disclosure statements to this fund agreement form that describe each investment fund's fees that may be levied in addition to CTCF's administrative fees.

Short-term funds will be charged the entire annual fee up front as funds are deposited into the fund. Subsequently, the fund will be charged annually on the anniversary date of the fund until the fund is completely depleted.

Short-Term Fund Fee

If 100% of the fund is distributed within 36 months, a 2% short-term administrative fee (a minimum annual fee of \$100) applies.

7. Distributions/Grantmaking

All income generated through the prudent investment of your gift will go back to your fund, minus fees as indicated above. If your fund is endowed, a certain threshold will be maintained to protect the principal and provide for investment income. For endowed funds, grantmaking may be made from investment proceeds above a certain threshold (indicated above, in #1). The minimum threshold is \$10,000. An endowment is a permanently restricted fund. Check here if you would like more information about endowments and how they work.

- I would like my fund to grow without disbursements until _____ (date/\$ level). At that time I would like to discuss grantmaking.
- I would like to start grantmaking as soon as possible.
- Check here if you are interested in serving on a CTCF grants committee.

As you receive quarterly fund reports, we will work with you to determine your advisement for reinvestment or grantmaking, as appropriate.

You may also request that a certain % or amount be allocated to CTCF for its discretionary use, as well. Check here if you would like to discuss allocating some of your fund's proceeds to CTCF.

8. Succession Plan

You may request that portions of your fund be administered in any or all of the following ways upon the death or incapacity of the fund's last surviving Donor Advisor. Total of percentages should equal 100.

Transfer advisory privileges of this fund to Successor Advisor(s) as listed later in this Agreement
_____ % of fund value

Create an endowed designated fund for the benefit of the organization(s) named below (\$50,000 minimum required)
_____ % of fund value

Transfer the fund's assets to The Community Foundation's unrestricted pool to help meet the greatest needs of the Georgetown or other (please specify here) area:

_____ % of fund value

Transfer the fund's assets to The Community Foundation's unrestricted pool to help meet the greatest needs of the Williamson County area in the following fields.

_____ % of fund value

Successor Advisors

Donors may designate individuals as successor advisor(s) who have privileges to make recommendations appropriate for the fund. A donor advisor may change this designation any time by completing the successor advisor form available from the Foundation.

Successor Advisor Information

Successor advisor(s) have privileges to make recommendations appropriate for the fund. All fund correspondence will be sent to successor advisor 1, unless otherwise specified. If more than two advisors are desired, please attach additional information to this form. Furthermore, it is the responsibility of the designated successor advisor(s) to contact the Foundation at such time as he/she becomes advisor(s) to the fund. If we do not hear from the successor advisor(s) and are not able to locate him or her within six months of becoming advisor(s) to the fund, then the fund shall revert to a named fund within the Foundation's unrestricted pool.

Successor Advisor 1

Full Name (First, Middle, Last) Preferred Salutation (e.g. Mr. James L. Smith or Jim Smith)

Home Address City State Zip

Date of Birth Send mailings to my: Home Office

Business or Organization Name / Position

Business Address City State Zip

Home Phone Business Phone E-Mail

Successor Advisor 2

Full Name (First, Middle, Last) Preferred Salutation (e.g. Mr. James L. Smith or Jim Smith)

Home Address City State Zip

Date of Birth Send mailings to my: Home Office

Business or Organization Name / Position

Business Address City State Zip

Home Phone Business Phone E-Mail

I/We, as the Donor(s), request that the Successor Advisor(s) named assume this responsibility...

_____ on the following date / /

_____ on the death of the present Advisor(s)

In case of dispute among Successor Advisors, I request that:

13. Signatures □

Donor Advisor(s) listed in Section 1 must sign below.

Policies and Procedures

The undersigned have received and reviewed this form and policy information and agree to its terms and conditions described therein. The undersigned understand that pursuant to Federal/IRS guidelines, any contribution, once accepted by the Foundation, represents an irrevocable gift to the Foundation and is not refundable. The undersigned hereby certify that all information presented in connection with this application is accurate, and the undersigned will promptly notify the Foundation in writing of any changes.

Service Charges / Fees

The Chisholm Trail Communities Foundation will receive as compensation for its services in investing, administering and distributing the funds hereunder, service charges ('fees') described above and customarily applied.

Investments

The undersigned acknowledge and agree that IRS regulations enable donor advisor(s) to designate investment preferences, but require the Foundation to retain final discretion regarding those preferences. The undersigned understand that investments will be administered in accordance with the policies of the Chisholm Trail Communities Foundation. The undersigned acknowledge that investments are subject to market and interest rate fluctuation risks, and that any gain or loss generated by the above investments will be credited or charged to the fund. The total investment return of each investment vehicle is net of its operating expenses.

Indemnity

In consideration of the Foundation's creating a fund at the request of the individual(s) or entity named and for other good and valuable consideration, the undersigned hereby agrees to indemnify and hold harmless the Foundation, its directors, officers and other representatives, against any liability, cost, or expense which the Foundation may incur by reason of its acting upon recommendations given to the Foundation by any of the authorized persons named.

Variance Power

It is understood that the fund to be established pursuant to this agreement will be subject to the provisions of the governing instruments of the Chisholm Trail Communities Foundation, including the power reserved by the Board of Directors to modify any condition or restriction on the distribution of funds if in its sole judgment, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the area served by the Foundation.

Any material changes to information in this fund agreement will be communicated with all appropriate and available parties with sufficient notice.

Donor Advisor 1

Signature

Name (Please Print)

Date

Donor Advisor 2

Signature

Name (Please Print)

Date

The Chisholm Trail Communities Foundation

By

Title

Date

Policies Concerning the Establishment and Maintenance of Funds

Authorization

The Chisholm Trail Communities Foundation (the 'Foundation') has authorized the establishment of donor advised, agency, field of interest, scholarship, and related Funds by resolutions of its Board of Directors. These procedures may be amended from time to time, when deemed necessary or desirable by the Board of Directors. If material changes are proposed to this agreement or policy, we will inform stakeholders and donors with adequate notice.

Characteristics of Funds

Donor advised, field of interest, scholarship, and related Funds may be established by the donation or transfer by any person to, and acceptance by, the Foundation of money or property, whether by contribution, gift, bequest or devise, or by transfer from a charitable or other organization, to further or carry out the charitable purposes of the Foundation. Contributions to donor advised and related funds represent irrevocable gifts subject to the legal and fiduciary ownership and control of the Foundation's Board of Directors. Because of IRS regulations, a donor may not impose any material restriction or condition that prevents the Foundation from freely and effectively employing the contributed assets, or the income derived there from, in furtherance of a charitable purpose of the Foundation.

Nature and terms of Funds

Each Fund shall be the property of the Foundation, owned by it in its normal corporate capacity. In such capacity, the Foundation shall have the ultimate authority and control of all property in the Fund, and income derived from it, for the Foundation's charitable purposes. Each Fund may be recorded on the books and records of the Foundation as an identifiable and separate fund and may be given a name or other appropriate designation as requested by the donor. Anything herein or in the deed of gift or other instrument of transfer creating a Fund to the contrary notwithstanding, each Fund shall be a component part of the Foundation and shall be subject to the Foundation's governing instruments.

Value

The minimum amount to establish a Fund is \$1,000, but the Foundation encourages donors to build their funds up to a minimum of \$10,000 over three years. The Foundation will not advise donors on the value of contributed property, but encourages donors to seek the counsel of their professional advisors for assistance.

Role of donors

The Foundation welcomes the involvement and recommendations of its donors with respect to distributions from advised funds, but in accordance with IRS regulations, such recommendations are only advisory and are in no way binding upon the Foundation. The Foundation honors the charitable intentions of its donors consistent with community needs and applicable laws and regulations. Donor advice will be considered if offered in writing, by fax, e-mail, or telephone.

Because the Foundation's principal geographic area of concern is the Williamson County area, the Foundation's primary focus is to support and improve the charitable organizations of this region, but the Foundation will also consider charitable organizations outside the Williamson County area if the grant will fulfill the broader charitable purposes of the Foundation.

Evaluation of donor recommendations

In evaluating recommendations for distributions from advised funds, the Foundation staff examines all prospective grant recipients to ensure that they are organized and operated for charitable purposes within the meaning of section 501(c)(3) of the Internal Revenue Code or that the grant will be used for a charitable purpose. All grant distributions must be ratified by the Foundation's Board of Directors.

Additional advisors

The privilege of making recommendations shall be extended to donors, their spouses, and their designees. All requests to appoint additional advisors and successor advisors must be communicated to the Foundation in writing by the donor(s) establishing the fund. A donor may change this designation at any time by completing the Successor Advisor Form available from the Foundation. If after six months from the death, resignation, or incapacity of a Fund's donor(s), the Foundation has not received in writing the names of an additional advisor or successor advisor to the fund, the Fund shall continue as part of the unrestricted endowment funds of the Foundation.

Investment of assets

The Foundation has the responsibility and authority for the investment of the assets of each of its funds. The assets of any Fund may be separately invested or may be commingled with other funds, endowment funds of the Foundation, or may be invested in units of a common investment fund that may be established or utilized by the Foundation. However, the Foundation shall have no obligation either to invest separately or to commingle the assets for investment purposes. Any decisions with respect to the retention, investment or reinvestment of assets and with respect to commingling of assets shall be made by the Board of Directors, in accordance with regular procedures, but only in such investments as are appropriate for a prudent investor and steward.

Variance power

Donor advised, field of interest, scholarship, and related Funds will be subject to the provisions of the governing instruments of the Foundation, including the power vested in the Board of Directors to modify any condition or restriction on the distribution of funds if in its sole judgment (without the approval of any trustee, custodian or agent), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable purposes and functions of the Foundation. (Copies of the Foundation's governing instruments are available upon request.)

What is variance power? It is the flexibility to remain relevant and effective, even after decades of unpredictable change. This power, unique to community foundations, allows, for example, the Foundation's Board to redirect the use of funds originally set up for purposes which are no longer possible to fulfill. This feature is but one of the inherent pluses of community foundations.

Variance power, while rarely exercised, is simple: it allows the legacy of the donor's gift to continue, with no need to worry that such redirection will change the spirit of the donor's original gift.

For example, a fund first established in 1920 to fight polio might today be redirected to find a cure for muscular dystrophy. Similarly, a fund established today to benefit AnimalCauseX might be redirected to another local animal shelter if AnimalCauseX were to go out of business.

Spending policy

In determining the annual distribution amount, the Board of Directors may consider the expected total return on the investments of the Foundation's permanent funds, the desirability of maintaining the value of the Foundation's permanent funds, and other factors that the Board of Directors deems relevant. It is the general policy of the Foundation that a substantial part of the Donor Advised Funds shall remain as a permanent endowment of the Foundation.

Distributions

All distributions from Funds are subject to the Foundation's variance power and must be ratified by the Foundation's Board of Directors. The Foundation encourages distributions of at least \$100 from any Fund. Unless otherwise requested by the donor of the Fund, any distribution from a Fund shall identify to the grantee organization the name of the Fund from which the distribution is made.

Restrictions on distributions

Distributions from Funds established at the Foundation will be made only if they are consistent with the Foundation's charitable purposes and satisfy community needs identified by the Foundation as deserving of its support. Fund distributions will not be made for any purpose or to any organization that would provide a tangible benefit to the donor recommending the distribution, nor can a donor advise a distribution from a Fund to satisfy a pledge to an organization. It is the Foundation's policy that distributions from Funds may not be made to any specific individual or to organizations that are not qualified under section 501(c)(3) as public charities without sufficient due diligence to establish that such distribution fulfills a charitable purpose. Distributions from Funds will not be made to support or promote political or legislative activities.

Conflict of terms

In the event of an inconsistency between these procedures and any procedures, terms, or conditions appearing elsewhere in connection with any Fund, these procedures, as interpreted by the Foundation, shall govern, and the Foundation reserves the right to take any actions at any time which, in its discretion, it deems reasonably necessary or desirable for the proper administration of any Fund or the Foundation itself.

Fees

Funds are subject to administrative and investment fees, and the Foundation reserves the right to change its fee structure at any time. If material changes are proposed to this agreement or policy, we will inform stakeholders and donors with adequate notice.