COMMUNITY FOUNDATION OF GREATER CHATTANOOGA

DONOR ADVISED FUND AGREEMENT

This Agreement has been made on the ____day of ___________, 20__, between The Community Foundation of Greater Chattanooga, Inc. (the Foundation) and _______________________________ (the Donor) for the sole purpose of establishing the ___________________________ Fund.

POLICIES AND PROCEDURES

The undersigned agrees to the terms and conditions described herein. The undersigned understand that 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 the donor-advised fund application is accurate, and the undersigned will promptly notify the Foundation in writing of any changes.

CHARACTERISTICS OF DONOR-ADVISED FUNDS

Donor-advised 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, as set forth in its charter and bylaws. Contributions to donor-advised funds represent irrevocable gifts subject to the legal ownership and control of the Foundation and its board of directors. 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 therefrom, in furtherance of the charitable purposes of the Foundation.

NATURE AND TERMS OF DONOR-ADVISED FUNDS

Each donor advised 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 the income derived therefrom, for the charitable purposes of the Foundation. 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 donor advised fund to the contrary notwithstanding, each fund shall be a component part of the Foundation and shall be subject to the governing instruments of the Foundation, including its charter and bylaws, as amended from time to time.

ROLE OF DONORS

The Foundation welcomes the involvement and recommendations of its donors with respect to grants from donor-advised funds, but such recommendations are advisory only and are in no way binding upon the Foundation. The Foundation will seek to honor the charitable intentions of its donors consistent with community needs and applicable laws and regulations. Donor advice will be considered if offered in writing or by fax or e-mail through our online portal. Because the Foundation's principal geographic area of concern is the greater Chattanooga area, the Foundation's primary focus is to support and improve the charitable organizations of this region. The Foundation will also consider charitable organizations outside the greater Chattanooga area if the grant will fulfill the broader charitable purposes of the Foundation.

EVALUATION OF DONOR RECOMMENDATIONS

In evaluating recommendations for grants from donor-advised funds, the Foundation staff investigates 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, and that the grant will be used for a charitable purpose. All distributions from donor-advised funds must be approved under procedures adopted by the Foundation's board of directors.

ADDITIONAL ADVISORS

The privilege of making recommendations shall be extended to donors 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. If any present donor fails to establish a succession plan for the fund prior to death, upon the donor's death, the fund shall be deemed inactive.

INACTIVE FUNDS

A Fund is deemed inactive if one of the following applies: (1) the donor dies or resigns or evidence of his or her incapacity is provided to the Foundation, and if no successor advisor has been named, (2) all named successor advisors are unable or unwilling to serve as such, (3) no recommendations are made with respect to grants from the Fund for a period of two years and, during such period, the advisor or successor advisor does not reply to the Foundation's attempts to contact them. If the Fund becomes inactive, the President of the Foundation is authorized to direct disposition of the fund balances up to $50,000 to one of the unrestricted funds of the Foundation. Balances in excess of $50,000 will be directed by the Executive Committee or Board of Directors. The Community Foundation's policy on inactive permanent donor-advised funds is to maintain the fund with its designated name, but the use of the distributions will be determined at the Foundation's discretion.

INVESTMENTOF ASSETS

The Foundation has the responsibility and authority for the investment of the assets of each donor-advised fund. Any recommendations by the donor or advisor are advisory in nature and are not binding on the Foundation. The assets of any fund may be separately invested or may be commingled with those of other donor-advised funds or endowment funds of the Foundation, or may be invested in units of a common investment fund which 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 Foundation's board of directors, in accordance with its regular procedures in accordance with prudent investment standards.

GRANTS

All grants or distributions from donor-advised funds are subject to the variance power of the Foundation's board of directors. The Foundation encourages grants of at least $100 from any donor- advised fund. Unless otherwise requested by the donor of the fund, any grant from a donor-advised fund shall identify to the grantee organization the name of the fund from which the grant is made.

RESTRICTIONS ON GRANTS

Grants or distributions from donor-advised 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 grants will not be made for any purpose or to any organizations that would provide a more than incidental benefit to the donor or advisor recommending the grant. Grants from donor-advised funds may not be made to any named individual, or to organizations that are not qualified section 501(c)(3) public charities. Distributions may not consist of any payment in the nature of a grant, loan, payment of compensation or reimbursement of expenses to a donor or advisor. Distributions from donor-advised funds will not be made to support or promote political or legislative activities.

EXPENSES PAYABLE FROM DONOR-ADVISED FUNDS

No expenses (including expenses for travel, meals, lodging, and the like) incurred by donors or advisors may be paid or reimbursed from donor-advised funds.

CONFLICT OF TERMS

In the event of an inconsistency between these procedures, and any information otherwise provided 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 of the Foundation.

PROFESSIONAL ADVISORS

The Foundation's role is to provide information and options for charitable giving through the Foundation; staff of the Foundation do not act as financial planners, legal or tax advisors. You are encouraged to obtain the advice of your own professional advisor in connection with the decision to establish and maintain a fund with the Foundation.

FEES

Donor-advised funds are subject to administrative and investment fees. The Foundation reserves the right to change its fee structure at any time.

Fund Type	Fund Balance	Fees	
Donor Advised Funds	**Up to $1 million**	**1.25%**	Minimum Annual Fee $250
	$1 million - $5 million	**1.00%**	
	$5 million - $10 million	**0.75%**	
	Over $10 million	**0.50%**	

ADMINISTRATIVE & INVESTMENTCHARGES

The Community Foundation of Greater Chattanooga shall be entitled to deduct from the fund, to underwrite its services in investing, administering and distributing the funds hereunder, the administrative and investment charges provided herein and as may be updated from time to time.

INVESTMENTS

The undersigned acknowledge and agree that IRS regulations require the Foundation to retain final discretion regarding the investment of the fund. The undersigned understand that investments will be administered in accordance with the policies of the Community Foundation of Greater Chattanooga. The undersigned acknowledge that investments are subject to market and interest rate fluctuation risks, and that any gain or loss generated by the investments described in this agreement will be credited or charged to the fund. The total investment return of each investment vehicle is net of its operating expenses.

VARIANCE POWER

It is understood that the fund to be established pursuant to this agreement will be subject to the provisions of the charter, bylaws and other governing instruments of the Community Foundation of Greater Chattanooga 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 (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.

Donor

Signature ____________________ Date ____________________

Name (please print) ____________________

Donor

Signature ____________________ Date ____________________

Name (please print) ____________________

The Community Foundation of Greater Chattanooga

By ____________________ Title ____________________

Name (please print) ____________________ Date ____________________