

# THE FOURWAY COMMUNITY FOUNDATION

## Charitable Beneficiary Fund Agreement

This agreement ("Agreement") is made between \_\_\_\_\_, an Oregon resident, ("Donor") and the Four Way Community Foundation ("Four Way") in order to create a designated charitable beneficiary fund ("Fund"). The terms of this Agreement shall be effective only upon signature of Four Way's President and approved by its board of directors.

Upon the effective date of this Agreement, Donor shall gift and transfer to Four Way the following \_\_\_\_\_. This gift constitutes and irrevocable gift to Four Way and is subject to the following terms and conditions:

**1. Establishment of Fund.** With the gift, or its proceeds, Four Way will establish a designated charitable beneficiary fund on the books of Four Way, to be known as \_\_\_\_\_. The gift (or the net sales proceeds of the gift) shall be held, managed, and maintained by Four Way as a permanently restricted endowment. The Fund shall include the property transferred with this Agreement and any other gift that Donor and/or others may transfer to Four Way for its inclusion in the Fund, subject to acceptance by the Four Way board. Assets of the Fund may be commingled for purposes of investment with other assets of Four Way. Four Way has the sole responsibility to manage and invest the funds and may retain firms or individuals to assist in this responsibility.

**2. Charitable Purposes.** Donor and Four Way agree that the Fund is established solely for the benefit of charitable organizations that are tax-exempt as public charities under IRS Code Section 501 (c) (3) and governmental subdivisions.

**3. Administrative Fees.** An annual administrative fee will be assessed to the fund in the amount of 1%. This fee is in addition to any charges and fees assessed by any independent financial advisors or managers selected by Four Way. In the future, should it be necessary, the amount of the fee could be adjusted by Four Way.

**4. Beneficiary of the Fund.** Donor's intention is that the distributions or withdrawals from the fund will be used for the purpose of supporting programs and activities beneficial to \_\_\_\_\_. If at any time, \_\_\_\_\_ ceases to exist or is no longer a qualified charitable organization, further distributions from the fund shall be made to one or more qualified charitable organizations with similar objects and purposes selected by Four Way in its sole discretion. Should no such similar organization be deemed to exist, the Fund will be

absorbed into the general fund of Four Way to be used as designated by the Four Way board of directors.

5. Distributions. Donor intends, and Four Way agrees, that Four Way will distribute from the Fund annually an amount set forth herein. The amount will not exceed 5% of the average fair market value of the Fund, as determined at the end of the year immediately preceding the year of distribution. Four Way will calculate the fair market value on a rolling quarterly average of the Fund for the previous 20 quarters. Until the Fund has been in existence for 20 quarters, the average fair market value shall be calculated on a rolling quarterly average for the number of quarters the Fund has been in existence.

Additional stipulations by the donor regarding the details of distribution are:

- a) \_\_\_\_\_  
\_\_\_\_\_
- b) \_\_\_\_\_  
\_\_\_\_\_
- c) \_\_\_\_\_  
\_\_\_\_\_

6. Variance Power. Donor acknowledges and agrees that the board of directors of Four Way shall have the power to modify the restriction on the distribution of the Fund for the specific charitable purpose or to the specified organization set forth above, if, in the discretion of the board, such restriction becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the area served.

7. Fund is Component Part of Foundation. Donor and Four Way agree that the Fund shall be a component part of Four Way and not a separate entity for tax purposes, and that nothing in this Agreement shall affect the status of Four Way as a charitable organization described in Section 501 (c) (3) of the Code, and as an organization that is not a private foundation within the meaning of section 509 (a) of the Code. This Agreement shall be interpreted to conform to the requirements of the foregoing provisions of federal tax laws and any regulations pursuant thereto. Four Way is authorized to amend this Agreement to conform to the provisions of any applicable law or government regulation in order to carry out the purposes of the Fund.

ACCEPTED AND APPROVED BY:

\_\_\_\_\_ (Donor)  
\_\_\_\_\_ (Date)

\_\_\_\_\_ (Four Way President)  
\_\_\_\_\_ (Date)