

**SCHOLARSHIP FUND AGREEMENT**  
**COMMUNITY FOUNDATION OF ST. JOSEPH COUNTY, INC.**

This Agreement is entered into between **John A. and Mary P. Smith** ("Donor") and the Community Foundation of St. Joseph County, Inc. ("Foundation").

The Donor desires to create a charitable scholarship fund in the Foundation. The Foundation is willing and able to create this fund subject to the terms and conditions hereof.

The Donor and Foundation agree as follows:

**1. Name of Fund and Purpose.** The Foundation now establishes a fund designated as the "**John and Mary Smith Fund**" ("Fund") to which donors can gift assets. The Fund's primary purpose shall be to promote charitable or other exempt purposes as provided under the Internal Revenue Code ("Code") at Code Section 170(c)(1) or (2)(B) that are consistent with the exempt status and purposes of the Foundation and that are exclusively within the field of interest designated as educational scholarships. The determination of the recipients of these educational scholarships shall be in keeping with the "**John and Mary Smith Fund Guidelines**," as amended from time to time with the approval of the Foundation, attached and incorporated as Exhibit A ("Guidelines"). Distributions from the Fund shall be based upon the Foundation's Spending Policy ("Policy"), which is outlined in the Foundation's Investment Objectives, Policies and Procedures. This Spending Policy may be adjusted at the discretion of the Foundation depending upon market and other applicable conditions.

**2. Gift.** The Donor now gifts to the Foundation the assets described in Schedule of Assets listed at the end of this Agreement. The Foundation may receive further gifts to be added to the Fund from the Donor and from any other donor. All gifts must be acceptable to the Foundation, are irrevocable, and are subject to the provisions of this Agreement.

**3. Powers.** The Foundation shall have all powers necessary and desirable to carry out the purposes of the Fund including the power to commingle the assets of the Fund for investment purposes with other Foundation funds.

**4. Distributions.** Subject to the Foundation's principles and procedures, Fund distributions shall be made in keeping with the Fund's Policy for purposes described in Code Section

170(c)(1) or (2)(B) that are consistent with the exempt status and purposes of the Foundation.

**5. Continuity of the Fund.** The Fund shall continue so long as assets are available in the Fund and the purposes of the Fund can be served by its continuation. If the Fund is terminated for any reason, the Foundation shall devote any remaining assets in the Fund exclusively for those charitable purposes that are within the scope of the charitable purposes of the Foundation's Articles of Incorporation and which most nearly approximate the original purpose of the Fund in the good faith opinion of the Foundation's Board of Directors.

**6. Costs of the Fund.** The Donor agrees that the Fund shall share a fair portion of the Foundation's total administrative and investment costs. The administrative cost annually charged against the Fund shall be determined in accordance with the then current fee structure applicable to Funds of this type. Any costs to the Foundation in accepting, transferring or managing assets donated to the Foundation for the Fund shall also be paid from the Fund.

**7. Administrative Provisions.** The Foundation shall hold the Fund, and all contributions to the Fund, subject to the provisions of the applicable Indiana laws and the Foundation's Articles of Incorporation and By-Laws. The Board shall monitor the distribution of the Fund.

**8. Conditions for Acceptance of Funds.** It is understood and agreed that all assets held in the Fund shall be subject to the Articles of Incorporation and Bylaws of the Community Foundation, including the power contained therein for the governing board of the Community Foundation to modify, cy pres, any restrictions or conditions on the distribution of funds for any specified charitable purposes or to specified organizations if, in its sole judgment, such restrictions become, in effect, unnecessary, incapable of fulfillment or inconsistent with the charitable need of the area served by the Community Foundation

**9. Not a Separate Trust.** All money and property in the Fund shall be assets of the Foundation and not a separate trust. This Fund shall be accounted for separately and apart from other gifts to the Foundation.

IN WITNESS WHEREOF, the Donor and the Foundation now sign and execute this Agreement on \_\_\_\_\_, \_\_\_\_\_.

**DONOR**

**FOUNDATION**

Community Foundation of St. Joseph County, Inc.

\_\_\_\_\_  
By: **John A. Smith**

\_\_\_\_\_  
Rose Meissner, President

Accepted and approved by the Board of Directors of the Community Foundation of St. Joseph County, Inc. on \_\_\_\_\_, \_\_\_\_\_.

## Schedule of Assets