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CENTRAL INDIANA COMMUNITY FOUNDATION, INC.
SCHOLARSHIP ENDOWMENT FUND AGREEMENT FOR
“Legal Name of the Donors”

THIS AGREEMENT, made and entered into on _____, 20__, by and between the Central Indiana Community Foundation, Inc. (hereinafter referred to as the "Foundation") and _____ (the “ Donors”),

WITNESSETH:

WHEREAS, the Donors desire to create a scholarship fund in the Foundation with respect to which the Selection Committee can recommend scholarship recipients; and

WHEREAS, the Foundation is a non-profit organization exempt from taxation under Internal Revenue Code ("Code") section 501(c)(3), a public charity described in section 170(b)(1)(A)(vi) of the Code, and accordingly an appropriate institution within which to establish such a charitable endowment; and

WHEREAS, the Foundation is willing and able to create such a scholarship endowment fund, subject to the terms and conditions hereof:

NOW THEREFORE, the parties agree as follows:

GENERAL PROVISIONS:

1. GIFT The Donors hereby transfer irrevocably to the Foundation, the property described in the attached Exhibit A to establish the Fund. Subject to the right of the Foundation to reject any particular gift, the Foundation may receive additional irrevocable gifts of property acceptable to the Foundation from time to time from Donors and from any other source to be added to the Fund, all subject to the provisions hereof. All gifts, bequests and devises to this Fund shall be irrevocable once accepted by the Foundation.

2. PURPOSE The primary purpose of the Fund shall be to assist students to further their education at an accredited educational institution as directed by the Board of Directors of the Foundation (the “Board”) for any and all charitable or other tax-exempt purposes within the meaning of Code sections 170(c)(1) or (2)(B) that are consistent with the tax-exempt purposes of the Foundation.

3. DISTRIBUTION Distributions from the Fund shall be committed, granted or expended in accordance with the then current spending policies of the Foundation, for purposes described in Code section 170(c)(1) or (2)(B) to organizations described in sections 509(a)(1), (2), or (3). If any gifts to the Foundation for the purposes of the Fund are received and accepted subject to a Donor's conditions or restrictions as to the use of the gift or income therefrom, said conditions or restrictions will be honored,

subject, however, to the authority of the Board to vary the terms of any gift if continued adherence to any condition or restriction is in the judgment of the Board unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the community served by the Foundation. No distribution shall be made from the Fund to any entity if such distribution will in the judgment of the Foundation endanger the Foundation's Code section 501(c)(3) status.

4. RECOMMENDATIONS FOR DISTRIBUTION Subject to the Foundation's principles and procedures for scholarship funds, the commitments, grants or expenditures from the Fund contemplated in paragraph 3 shall be made on an annual basis with the selection of recipients based on the criteria specified in paragraph 14 and using the selection process specified in paragraphs 15 and 16. All recommendations from the Selection Committee shall be solely advisory, and the Foundation may accept or reject them, applying reasonable standards and guidelines with regard thereto.

5. ADMINISTRATIVE PROVISIONS Notwithstanding anything herein to the contrary, 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 Bylaws. The Board shall monitor the distribution of the Fund, and shall have all powers of modification and removal specified in United States Treasury Regulation Section 1.170A-9(e)(11)(v)(B).

Upon request, the Board agrees to provide the Donor a copy of the annual examination of the finances of the Foundation as reported upon by independent certified public accountants.

6. CONDITIONS FOR ACCEPTANCE OF FUNDS Donors agree and acknowledge that the establishment of the Fund herein created is made in recognition of, and subject to, the terms and conditions of the Bylaws of the Foundation as from time to time amended, and that the Fund shall at all times be subject to such terms and conditions, including but not by way of limitations, provisions for:

- (a) Presumption of Donor's intent;
- (b) Variance from Donor's direction;
- (c) Amendments.

7. CONTINUITY OF THE FUND The Fund shall continue so long as assets are available in the Fund and the purposes in the Fund can be served by its continuation. If the Fund is terminated, the Foundation shall devote any remaining assets in the Fund exclusively for charitable purposes that:

- (a) are within the scope of the charitable purposes of the Foundation's Bylaws and,
- (b) most nearly approximate, in the good faith opinion of the Board, the original purpose of the Fund.

8. NOT A SEPARATE TRUST The Fund shall be a component part of the Foundation. All money and property in the Fund shall be held as general assets of the Foundation and not segregated as trust property of a separate trust; provided that the Fund shall be allocated its pro rata share of the net earnings of the Foundation's Permanent Endowment Pool, such percentage interest being subject to adjustment at the time of each addition to, or reduction of, assets in the Permanent Pool.

9. ACCOUNTING The receipts and disbursements of this Fund shall be accounted for separately and apart from those of other gifts to the Foundation.

10. INVESTMENT OF FUNDS The Foundation shall have all powers necessary, or in its sole discretion desirable, to carry out the purposes of the Fund, including, but not limited to, the power to retain, invest and reinvest the Fund and the power to commingle the assets of the Fund with those of other funds for investment purposes.

11. COSTS OF THE FUND It is understood and agreed that the Fund shall share a fair portion of the total investment and administrative costs of the Foundation. Those costs annually charged against the Fund shall be determined in accordance with the then current fee schedule identified by the Foundation as applicable to funds of this type. Any costs to the Foundation in accepting, transferring or managing property donated to the Foundation for the Fund shall also be paid from the Fund.

SPECIFIC PROVISIONS:

12. NAME OF THE FUND The name of the Fund shall be the _____
Scholarship Fund.

13. FUND ADVISOR Donor shall be the designated Fund Advisor in all dealings with the Foundation regarding the Fund. All recommendations from the Fund Advisor shall be solely advisory, and the Foundation may accept or reject such recommendations, applying reasonable standards and guidelines with regard thereto.

After the death or resignation of the Donors, if the assets of the fund equal less than \$100,000.00, the assets of the Fund will be distributed to the *Marion or Hamilton County Community Scholarship Fund*, and this Fund will be terminated. After the death or resignation of the Donors, if the assets of the fund equal or exceed the sum of \$100,000.00, the assets of the Fund will continue to be distributed as a scholarship fund through the Foundation in accordance with the criteria stated below [or "*the assets of the Fund will be distributed to the Marion or Hamilton County Community Scholarship Fund, and this Fund will be terminated.*"].

14. CRITERIA Specifically, the Fund is designed to provide scholarship assistance in the form of grants for tuition, room and board, and related fees (e.g. books) to students who meet the following criteria:

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The selection criteria must be broad enough so that the pool of potential recipients constitutes a charitable class as defined by federal law and regulations. Selection criteria are subject to change by the Foundation, as necessary, to ensure adherence to state or federal laws and regulations.

15. SCHOLARSHIP SELECTION COMMITTEE AND PROCESS The Foundation's Blue Ribbon Scholarship Advisory Committee, or successor thereto, will recommend to the Foundation the scholarship recipient(s) with such recommendation based on the selection criteria defined above. Members of the Advisory Committee shall avoid all potential conflicts of interest, private inurement or appearance of impropriety by disclosing all relationships (family, business, etc.) with any scholarship applicants. If any potential conflicts of interest arise, the committee member will not be involved for the applicable year(s) in the selection process. The Donor may choose to participate on the committee, but at no point may the Donor directly or indirectly control the selection of recipients of scholarships.

16. AWARDS Unless current or future Foundation policy mandates otherwise, the Fund will award scholarships with renewable opportunities and fund a student to degree attainment if the student remains in school, remains in good academic standing, continues to meet the Fund's criteria, and applies for renewal. The Fund will award scholarships in every year that the Advisory Committee recommends a qualified candidate and so long as funds are available. The amount of awards is subject to change based on Foundation policy. At any time, the Fund may support the *Community Scholarship Fund* if a qualified candidate cannot be selected. All scholarship awards will be granted to a college or university for the benefit of the scholarship recipient. No scholarship awards will be granted directly to an individual scholarship recipient.

17. COMPLIANCE WITH THE PENSION PROTECTION ACT OF 2006 The parties to this agreement acknowledge and agree that grants, including scholarships and awards, may not be made to individuals from the Fund without approval of the selection criteria and the selection process by the Foundation Board of Directors. No changes in the selection criteria or the selection process may be made without the prior written approval by the Foundation.

IN WITNESS WHEREOF, the Donors have executed this Agreement and the Foundation has caused this Agreement to be approved by its Board of Directors and to be executed by a duly authorized officer, all as of the day and year first above written.

Central Indiana Community Foundation, Inc.

Donor

Brian Payne, President
Robert A. MacPherson, VP for Development

Donor

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EXHIBIT A

LIST OF INITIAL DONATIONS TO FUND

SAMPLE