

LOS ALTOS COMMUNITY FOUNDATION



AGREEMENT ESTABLISHING THE

a Donor Advised Fund

THIS AGREEMENT, dated _____, _____, is between

_____ (“Donor”), residing at

_____, and the Los Altos Community Foundation (“LACF”), a California not-for-profit corporation, with an office at 183 Hillview Avenue, Los Altos, California 94022, Federal Tax I.D. No. 77-0273721.

1. Donor wishes to establish, and LACF is willing to hold and administer, an account on the books of LACF to be known as the _____ Fund (the “Fund”). The Fund will include (a) an initial gift by Donor of \$ _____ – normally a minimum of \$5,000 [or as described in Attachment A hereto], (b) such other gifts as may be made from time to time by Donor or others to the Fund and accepted by LACF, and (c) all income and other gains or losses allocated to the Fund in accordance with LACF’s standard accounting practices.

2. All donations to the Fund are irrevocable, nonrefundable gifts to LACF and are the property of LACF, held in its corporate capacity, and are not to be deemed to be trust funds held by LACF as a trustee in a fiduciary capacity. Legal ownership and control of the Fund is vested in LACF, which is solely responsible for the management of the Fund and the disbursement of its assets. The Fund is subject to LACF’s variance power, as set forth in its Bylaws, that gives LACF the authority to modify any restriction or condition on funds designated for distribution for specific charitable purposes or to specific organizations if, in the sole judgment of the LACF Board of Directors, such

restriction or condition becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community.

3. The assets of the Fund may be commingled with other funds held by LACF for comparable purposes, so long as a proper accounting is maintained for the Fund on the books of LACF. LACF in its corporate capacity will have ultimate authority and control over the investment, management and distribution of the Fund. Unless otherwise agreed by Donor and LACF in writing, the Fund will be invested in accordance with LACF's Investment Policy, as they may be revised from time to time.

4. The objective of the Fund is to provide the community with grants for charitable, educational, religious and scientific purposes. It is Donor's intention that the Fund is not an endowment and that the assets of the Fund may be paid out in full.

5. Donor may from time to time request in writing that LACF distribute grants from the Fund, normally subject to a minimum distribution of \$200 per Donee. LACF will carefully consider such requests, taking into account relevant criteria, which may include an independent investigation to ensure that such distributions are deserving of financial support and are consistent with the tax-exempt requirements of Internal Revenue Code Section 501(c)(3) and other applicable laws and regulations. Donor may at any time request LACF to transfer the entire balance of the Fund to another organization that is tax-exempt under Section 501(c)(3); it is understood that the final decision as to any distributions from the Fund will be made by LACF. Any such distributions requested by Donor and made by LACF will be made either in Donor's name or anonymously, as Donor may direct.

6. Donor has designated the following person(s) to act as successor advisor(s) to exercise Donor's right to make requests under Paragraph 5 above after the death of Donor:

In addition, Donor may from time to time by written notice to LACF amend such list to delete or add one or more successor advisors to exercise such right. On the death of Donor or the last of any such successor advisors designated by Donor (or if during the Donor's life either (a) the balance in the Fund should ever drop below \$1,000 for more than one year or (b) no requests for grants are made for a period of three years), the Fund shall become an unrestricted fund of LACF.

7. Donor agrees that LACF shall charge the Fund an annual management fee of 1% of the average balance of the Fund, computed and paid monthly, in addition to any pass-through fees charged LACF by any fund manager and/or investment advisor with a minimum fee or donation of \$1,000 annually.

8. LACF shall not be liable to any person interested in the Fund for any act or omission, except to the extent that it results from LACF's bad faith, willful misconduct or gross negligence.

9. Nothing in this Agreement shall affect the status of LACF as a tax-exempt organization described in Internal Revenue Code Section 501(c)(3) and other applicable provisions of the Internal Revenue Code, the Regulations thereunder and state laws and regulations. In the event of any inconsistency between this Agreement and such applicable laws and regulations, this Agreement shall be deemed to be interpreted or amended so as to be in complete compliance with such applicable laws and regulations.

10. Subject to Paragraph 9 above, Donor and LACF may amend this Agreement by a written amendment signed by both parties.

IN WITNESS WHEREOF, Donor and LACF have signed this Agreement on the date shown below.

By: _____
Donor

Date Signed: _____

LOS ALTOS COMMUNITY FOUNDATION

By: _____

Date Signed: _____