



**Central Montcalm Community Foundation**  
**(A Designated Endowed Fund)**

This Endowed Fund is agreed to between Central Montcalm Community Foundation (hereafter referred to as the “Foundation”) and \_\_\_\_\_ (hereafter referred to as the “Donor”). This agreement will therefore establish the \_\_\_\_\_ (hereafter referred to as the “Fund”).

**General Terms**

1. The purpose of the “Fund” will be to provide funding for grants to \_\_\_\_\_ from the earning of the fund according to the by-laws of the Foundation.
2. WHEREAS, the Foundation is a non-profit Michigan corporation 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 and appropriate institution within which to establish such a charitable endowment; and.
3. WHEREAS, the Foundation is willing and able to create such an endowment as a Scholarship Fund, subject to the terms and conditions hereof;

NOW THEREFORE; the parties agree as follows.

1. There is hereby established in the Foundation, and as a part thereof, a fund designated as \_\_\_\_\_ (hereinafter referred to as “the Fund”) to receive gifts, in whatever form of money or property, under the by-laws of the foundation, and to administer the same.
2. PURPOSE. The primary purpose of the Fund shall be used within the area set forth by the by-laws of the Foundation.
3. Gifts. The Founding Contributor hereby transfers to the Foundation the amount of \$\_\_\_\_\_ to establish the Endowment. If the initial gift is less than \$10,000.00 but at least \$2,000.00 (the minimum acceptable to establish an endowed fund) then the Founding Contributor must increase the endowed fund to the \$10,000.00 level within three (3) years of its establishment or the dollars in the fund will revert to any endowment that has been established within the Foundation; whichever is closest to the initial intentions, as determined by the Donor. If the Donor does not make a determination within thirty (30) days of an official notice from the Foundation than the Foundation Board will make the decision to which endowment/endowments the funds will be redistributed to. Notice will be sent to the Donor. It is 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 the Donor and from any other individuals, entities, and other sources to be added to the Fund, all subject to the provisions hereof. All grants, bequests

and devises to this fund shall be irrevocable once accepted by the Foundation. Grants will be distributed after value of the endowment reaches \$10,000.

4. **DISTRIBUTION.** The annual earnings allocable to the Fund, net of the Administration fees (not to exceed 1% of the fund) and expenses will be distributed, according to the guidelines of the Foundation. The net appreciation of fund principal, realized or unrealized may not be committed, granted, or expended, except as needed to meet the distribution requirements stated below. If any gifts to the Foundation for the purposes of the Fund are received and the use of the gift or income therefore said conditions for restrictions will be honored subject however to the authority of the Foundation's Board of Director's to vary the terms of any gift if continued adherence to any condition of restriction is in the judgment of the Foundation. No distribution shall be made from the Fund to any individual or entity if such distribution will in the judgment of the Foundation endanger the Foundation IRC section 501 (c) (3) status. The annual distribution from the Fund shall be determined by the by-laws of the Foundation.
  
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 Michigan laws, and the Foundation's Articles of Incorporation and Bylaws. The Board shall monitor the distribution of the Fund, and shall have all the powers of modification and removal.
  
6. **CONDITIONS FOR ACCEPTANCE OF FUNDS.** The Donor agrees and acknowledges that the establishment of the Fund herein created is made in recognition of, and subject to, the terms and condition of the Articles of Incorporation and 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 limitation, provisions for;
  - (a) Presumption of Donors' intent;
  - (b) Variance from Donors' direction;
  - (c) Amendments.
  
7. **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 for purpose of determining the share of the Foundation's earnings allocable to the Fund and the value of the principle of the Fund, the interest of the Fund in general assets of the Foundation shall be a percentage determined by dividing the gift to the fund by the then value of the total assets of the Foundation, such percentage interest being subject to adjustment at the time of each addition to or deduction of the assets of the Foundation.
  
8. **ACCOUNTING.** The receipts and disbursements of the Fund shall be accounted for separately and apart from those of the other gifts to the Foundation.
  
9. **INVESTMENT OF FUNDS.** The Foundation shall have all powers necessary or in its sole discretion desirable to carry out 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.

IN WITNESS WHEREOF, the Founding Contributor has 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 written above.

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(Name of Fund)

Central Montcalm Community Foundation

\_\_\_\_\_  
(Print Name of Donor)

\_\_\_\_\_  
(Print Name of Authorized Foundation Member)

\_\_\_\_\_  
(Signature of Donor)

\_\_\_\_\_  
(Signature of Authorized Foundation Member)

Dated \_\_\_\_\_

Dated \_\_\_\_\_

Attachment #1

**Criteria for the \_\_\_\_\_ Endowment**

CMCF President

\_\_\_\_\_  
Founding Contributor