

**[FUND NAME HERE]**  
**SAMPLE FUND AGREEMENT**  
**Field-of-interest Endowment Fund**

THIS AGREEMENT, made this \_\_\_\_ day of \_\_\_\_\_, 200\_\_, between \_\_\_\_\_ (the "Donor") and the Whatcom Community Foundation (the "Community Foundation"), a non-profit corporation, is as follows:

The Donor desires to create a Field-of-interest Endowment Fund (the "Fund") with the following property (donated cash, securities, or other property) (the "Property") donated for public educational and charitable purposes:

\_\_\_\_\_.

The Donor hereby irrevocably assigns, conveys, transfers and delivers the Property to the Community Foundation. The Donor or any other person may from time to time add to the Fund, subject to the terms and conditions herein set forth:

FIRST: The Fund shall be known as the "\_\_\_\_\_ Fund."

SECOND: The Community Foundation shall hold, manage, invest and reinvest the Fund, shall collect the income and shall pay and disburse the distributable amount for public educational and charitable uses and purposes, in accordance with the policies of the Community Foundation. The distributable amount of the Fund shall be calculated using a twelve-quarter trailing average working backward from the June 30 balance each year. The distribution rate in effect at the time of the distribution is a percentage of the fair market value of the Fund pre-approved by the Foundation Board of Directors for all endowed funds. The spending rate is announced annually in May.

THIRD: The Donor desires that the annual distributable amount of the trust estate be used for the following field of interest: (specify charitable purpose, with appropriate details): \_\_\_\_\_.

\_\_\_\_\_.

FOURTH: The Fund is protected from obsolescence. The Board of Directors of the Whatcom Community Foundation has the authority to modify any restriction or condition on the distribution of funds for any specified charitable purposes if in the sole judgment of the board, such restrictions or conditions become, in effect, unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the community or area being served. This provision is consistent the Foundation Board's variance power as set forth in tax regulations, 1.170A-9(e)(11)(V)(B), (C) and (D).

FIFTH: The Foundation has explained the Uniform Management of Investment Funds Act (UMIFA) to the Donor, who understands that there could be some years in which a full distribution cannot be made because it would drop the balance below the historic value of the Fund. The historic value of the Fund is the sum total of all the gifts made to the Fund, but does not include any investment income earned by the Fund.

SIXTH: The Fund will be charged an annual service fee as spelled out in the Foundation's policies. The Donor has been given a written copy of the current Administrative Service Fee Policy of the Foundation.

The parties have executed this agreement in duplicate as of the date and year first written above.

BY: \_\_\_\_\_  
Donor  
\_\_\_\_\_  
Donor

BY: \_\_\_\_\_  
CEO, Whatcom Community Foundation