

NAPA VALLEY

COMMUNITY FOUNDATION

AGENCY ENDOWMENT FUND AGREEMENT

This Agreement is made on _____[month/date/year], by and between _____ (the "Designated Agency"), located at _____, and the Napa Valley Community Foundation, a California nonprofit public benefit corporation, located at 3299 Claremont Way, Suite 2, Napa, CA (the "Foundation"). The Designated Agency agrees to create and maintain with the Foundation an **Agency Endowment Fund** ("the **Fund**") under the following terms and conditions:

1. The **Fund** shall be known as The _____ **Fund**, and shall be identified as such by the Foundation and its Board of Directors in the course of administration and distribution thereof.
2. The Foundation acknowledges receipt of \$_____ as the initial contribution to the **Fund**. It is anticipated by all parties to this agreement that from time to time other assets acceptable to the Foundation may be contributed to the **Fund** by the Designated Agency. If contributions other than cash are made to the **Fund**, such contributions must first be approved by the Foundation. All additional contributions shall be administered and distributed in accordance with the terms and conditions of this Agreement.
3. The **Fund** shall provide support to the Designated Agency and distributions from the **Fund** shall be paid and distributed to this organization once per year in the month of August, starting in August _____.
4. The amount available for distribution from the **Fund** shall be calculated in August of each year, following the close of the Foundation's fiscal year on June 30. The calculation shall be based on the average ending balances of the **Fund** on June 30 of the three prior fiscal years, or if the Fund has not existed for three fiscal years, on the average ending balances of the **Fund** on June 30 for as many prior fiscal years as the **Fund** has existed. Currently, the Spending Policy of the Foundation is five percent of the average ending balances of the **Fund**, as calculated above. Distributions shall not commence until the **Fund** has been invested for one complete fiscal year – July 1 to June 30. Please note that the Foundation may change the Distribution Policy from time to time at its sole discretion.

5. Notwithstanding the foregoing, no distributions shall be made from the **Fund** if such Distributions shall have the effect of reducing the corpus of the **Fund**, where corpus is defined as the initial contribution plus any subsequent contributions made by the Designated Agency.
6. It is understood and agreed by all parties that all assets contributed to the **Fund** shall become an irrevocable gift to the Foundation and legal control and responsibility for the **Fund** rests with the Foundation. In carrying out such responsibilities, the Foundation shall hold, manage, invest, and reinvest the **Fund**, and shall collect the income and shall pay and disburse monies from the **Fund** to the Designated Agency in accordance with this Agreement and the policies of the Foundation.
7. The undersigned acknowledge that the Board of the Foundation has the power and the duty to modify any restriction or condition on the distribution of funds for any specified charitable purpose or organization, if, in the sole judgment of the Foundation's Board, without approval of any participating trustee, custodian or agent, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment or inconsistent with the charitable needs designated.
8. The Foundation shall assume responsibility for check writing, bookkeeping, investment management, tax reporting, auditing and evaluation of projects, and furnishing to the Designated Agency, quarterly reports of all **Fund** income and expenses. Net income (defined as interest, dividends and capital growth less investment management fees) shall accrue to the **Fund**. It is understood that all income and capital gains/losses will be allocated to the **Fund** monthly. The Foundation may hold up to five percent (5%) of **Fund** assets in cash at any one time.
9. It is understood that the Foundation will charge an annual administrative fee of 1% of the balance of the **Fund**. The fee will be assessed monthly. The minimum annual administrative fee will be \$500.
10. This Agreement may be amended only by an agreement in writing approved by a majority of the Board of Directors of the Foundation and the undersigned Designated Agency representative. No amendment shall be allowed which is inconsistent with or jeopardizes the Foundation's status as an organization described in the Internal Revenue Code sections 170 (c) and 501(c)(3), as amended.

IN WITNESS WHEREOF, the Foundation and the Designated Agency have caused this Agreement to be executed as of the date written above:

By: _____

Signature: _____

Address: _____

Phone: _____

Fax: _____

Napa Valley Community Foundation of the,
a California non-profit public benefit corporation,

By: _____
Name

Signature

Its: _____

Foundation Representative