

THE PHILADELPHIA FOUNDATION

The Power of Endless Possibilities.™

FIELD-OF-INTEREST FUND AGREEMENT

THIS FUND AGREEMENT (“Agreement”) is made this _____ day of _____ 201_, between _____ (“Donors”) and The Philadelphia Foundation (“Foundation”), to establish a fund of the Foundation.

1. Creation of the Fund.

Initial Contribution. The Donors hereby contribute \$ _____ to the Foundation to create _____ (“Fund”). The Donors or any other person or organization may make a subsequent contribution to the Foundation for the Fund. All contributions to the Fund shall be administered pursuant to the terms and conditions of this Agreement. The Fund shall be held by The Philadelphia Foundation, Inc.

2. Purpose of the Fund.

(a) The purpose of the Fund – _____ – will be administered through applications being received, and reviewed through the Foundation’s Discretionary Grantmaking Process, and a recommendation being made by staff to the Foundation’s Board of Managers who will make the final determination regarding distributions from the Fund.

(b) In the event that it becomes unnecessary, undesirable, impractical or impossible to utilize funds for such purposes, the Foundation shall have the right to utilize the Fund for such charitable purposes as it deems appropriate in accordance with its governing instruments.

3. Distributions from the Fund.

a) The Foundation shall make distributions from the Fund in accordance with a Spending Policy adopted by the Foundation’s Board of Managers for component funds of the Foundation. The Spending Policy is designed to allow the funds to be invested on a “total return” basis to maintain and, if possible, increase the real value (as adjusted for inflation) of the funds, while at the same time providing a relatively steady and predictable level of funding for grantees. The Spending Rate in effect on the date hereof provides for the Foundation to spend annually 5% of the average fair market value of the Fund calculated over 20 trailing quarters. The administrative fee of 1% (or \$250 minimum) is included in this spending policy.

4. Administration.

- a) The Foundation shall administer the Fund in accordance with the terms of this Agreement, under and subject to the Foundation's governing instruments, as amended from time to time, and in accordance with procedures for the administration of similar funds of the Foundation, including charges for Foundation services. The Fund, and distributions from the Fund, shall be subject to the ultimate control and absolute discretion of the Foundation.
- b) Fees: each Fund will be charged an annual administrative fee as indicated in 3(a). In addition, all contributions will be charged a gift processing fee of 1%.
- c) Any recipient of benefits from the Fund shall be advised that such benefits are from the Fund.
- d) The Fund is intended to be a component part of the Foundation.
- e) Any recipient of benefits from the Fund shall be advised that such benefits are from the Fund.
- f) Charges shall be assessed against the Fund consistent with the charges assessed from time to time against similar funds of the Foundation.

5. Agreement Irrevocable; Limited Power of Amendment.

This agreement is irrevocable. For the sole purpose of ensuring that the Fund qualifies as a component part of the Foundation for federal tax purposes, however, the Foundation shall have the power, acting alone, to modify the terms hereof to the extent necessary to ensure such qualification.

6. Controlling Law.

This agreement shall be governed by the laws of the commonwealth of Pennsylvania.

IN WITNESS WHEREOF, the Foundation and Donor have executed this Agreement.

Attest:

THE PHILADELPHIA FOUNDATION

By: _____
Authorized Officer

Date: _____

Witness:

DONORS

Date: _____

Date: _____

SAMPLE