

THE PHILADELPHIA FOUNDATION

The Power of Endless Possibilities.™

DONOR-ADVISED FUND AGREEMENT (Non-Endowed)

THIS FUND AGREEMENT (“Agreement”) is made this _____ day of _____ 20____ between THE PHILADELPHIA FOUNDATION, a community foundation (“Foundation”), and _____ (“Donors”) to establish a donor-advised 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 Fund.

(a) The purpose of the Fund is to provide funds for _____.

(b) In the event that the Donors or their successor advisors are no longer advising on distributions from the Fund, the Foundation shall have the right to utilize the Fund for such other charitable purposes as it deems appropriate in accordance with its governing instruments.

3. Distributions from the Fund.

(a) It is the general policy of the Foundation with a fund of this type to distribute the entire principal in consultation with the Donors for the purpose of the fund.

(b) The Foundation has a non-discrimination policy that is applicable to all grantees. The Foundation will not issue grants to any organization which discriminates on the basis of race, color, religion, national origin, sex, gender identity, sexual orientation, age, disability, or any other legally protected characteristics.

4. Donor-advised Fund.

(a) The Donors or successor advisors as indicated on Addendum (A) may advise the Foundation in writing from time to time on the distribution of the Fund. In addition, the Donors may designate in writing one or more persons to advise the Foundation in the event of the withdrawal, incapacity or death of the Donors.

(b) If more than one person shall have the right to advise the Foundation at any time, and the Donors shall not have designated a Spokesperson as Advisor, those who have a right to advise shall unanimously notify the Foundation in writing of the Spokesperson who shall communicate with the Foundation on their behalf. The Foundation may rely upon such notification until changed by written notice executed by all such persons, and shall not be obligated to consider advice without the designation of an Advisor.

(c) In the event that no one advises the Foundation on the distribution of the Fund for three consecutive years, the Foundation may deem that no one has an interest in advising with respect to the Fund, and may terminate such rights after written notice to the last known address of the Donors or designated Spokesperson.

5. Administration.

- a) The Fund is intended to be a component part of the Foundation.
- b) 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.
- c) No distribution shall be made from the Fund to satisfy a pledge or other commitment of the Donor, advisors, parties related to the Donor, or any other person with the right to advise the Foundation on distributions from the Fund.
- d) No distribution shall be made from the Fund to individuals, either in the form of checks written directly to an individual or to an entity for the benefit of a specified individual.
- 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. The foundation reserves the right to increase fees provided the changes are consistent with similar funds. Currently, an annual fee of 1% (\$250 minimum) of the Fair Market Value of the Fund shall be assessed annually on December 31. In addition, a 1% gift processing fee will be assessed on all gifts made to the Fund.

6. Gift Irrevocable; Limited Power of Amendment.

Gifts to this Fund are irrevocable. The parties or authorized representatives may amend this Agreement by mutual written consent. In addition, for the purpose of ensuring that the Fund qualifies as a component part of the Foundation for federal tax purposes, the Foundation acting alone shall have the power to modify the terms of this Agreement.

7. Controlling Law.

This agreement shall be governed in all respects by the laws of the Commonwealth of Pennsylvania.
IN WITNESS WHEREOF, the Foundation and the Donors have executed this Agreement.

Attest:

THE PHILADELPHIA FOUNDATION

By: _____
Authorized Officer

Date: _____

Witness:

DONOR

Date: _____

SAMPLE

Addendum A: Advisors

When choosing a successor advisor for a donor advised fund, please consider the following:

The Donors may advise the Foundation in writing from time to time on the distribution of the Fund. In addition, the Donors may designate in writing one or more persons to advise the Foundation in the event of the withdrawal, incapacity or death of the Donors.

A donor advised fund allows for successor advisors so long as they are alive when the fund is established and are 18 years of age when they become a successor advisor. Should a minor child be named, he/she may not participate individually on behalf of the fund, but may do so in conjunction with a named advisor of legal age who will have authority to submit grant recommendations on their behalf.

The Philadelphia Foundation limits the number of successor advisors on a donor advised fund to two after which time the Fund becomes either a designated, field of interest or unrestricted fund of The Philadelphia Foundation, as determined by the founding donor.

If multiple successor advisors are named, one must be designated as the primary advisor. The primary advisor should confer with the any other advisors to the fund before grant recommendations are submitted.

In the event that no one advises the Foundation on the distribution of the Fund for three consecutive years, the Foundation may deem that no one has an interest in advising with respect to the Fund, and may terminate such rights after written notice to the last known address of the Donors or designated Spokesperson.

The Donors designate _____ as Advisor(s) to the Foundation.
_____ shall be Spokesperson.

In the event of the withdrawal, incapacity or death of the Advisor(s), _____ shall serve as successors to advise the Foundation on the distribution of the Fund. If more than one person has been designated, _____ shall be the Spokesperson.

The Donors retain the right to revoke this designation and to designate different persons to advise the Foundation in writing at any time in the future.

Information for All Persons Named Above:

Name _____

Address _____

Home Phone _____ Other Phone _____

Employer _____ Title _____

E-mail _____ Date of Birth _____

Name _____

Address _____

Home Phone _____ Other Phone _____

Employer _____ Title _____

E-mail _____ Date of Birth _____

Name _____
Address _____
Home Phone _____ Other Phone _____
Employer _____ Title _____
E-mail _____ Date of Birth _____

Name _____
Address _____
Home Phone _____ Other Phone _____
Employer _____ Title _____
E-mail _____ Date of Birth _____

Donor _____ Date _____

Donor _____ Date _____

SAMPLE

Addendum B: Investments

Non-endowed funds are expected to spend their entire balance at some time in the future, ranging from one month to five years or more. Non-endowed funds require more liquidity and may be invested depending on the length of time they are expected to function. All non-endowed funds are invested in Vanguard index funds.

It is The Philadelphia Foundation's policy to allow transfers from one investment pool to another once a year. Allowing more frequent movement between pools could potentially result in significant shifts in those allocations and result in unusual losses or gains for the remaining funds in that pool. Changes within the various pools are typically made in June of each year. We request a two-month transition period to more effectively manage the transfer of those funds and the re-balancing of the asset allocations. Therefore, requests for investment pool changes should be submitted in writing to the Foundation no later than April 30. The Donor may select only one of the four available pools for the Fund.

TPF Pool	Investment Horizon	Cash Equivalents	Short-Interim Bonds	Fixed Income	Large Cap Equity	Small Cap Equity	International Equity
Long Term Pool	5+ years	0%	10%	30%	30%	7.5%	22.5%
Medium Term Pool	2 to 5 years	5%	40%	20%	15%	4%	16%
Short Term Pool	6 months to 2 years	20%	80%	0%	0%	0%	0%
Distribution Pool*	Immediate to 6 months	100%	0%	0%	0%	0%	0%

*No earnings accrue to this fund.

The Donor may recommend a particular pool for investment purposes, but the final determination of the investments of each donor-advised fund, as well as the selection of underlying investments in each pool, are the responsibility of and must be made by The Philadelphia Foundation. Assets cannot be divided among multiple pools. A donor-advised fund is not considered an investment by the Organization under federal and state security laws.

The Donor/s select the following pool for the _____ Fund: (check one)

_____ Distribution Pool _____ Short Term Pool _____ Medium Term Pool _____ Long Term Pool

DONORS _____

Date: _____

Date: _____