

# THE PHILADELPHIA FOUNDATION

The Power of Endless Possibilities.™

## UNRESTRICTED FUND AGREEMENT

THIS FUND AGREEMENT (“Agreement”) is made this \_\_\_\_\_ day of \_\_\_\_\_, 201\_ between THE PHILADELPHIA FOUNDATION, a community foundation (“Foundation”), and \_\_\_\_\_ (“Donor”), to establish an endowment 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.

The purpose of the Fund is for general charitable 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.

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% (\$250 minimum) is included in this distribution.

### 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 Foundation's ultimate control and absolute discretion.

(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) It is intended that the Fund shall be a “component part” of the Foundation.

(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.

**5. 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.

**6. Controlling Law.**

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

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

Attest:

**THE PHILADELPHIA FOUNDATION**

\_\_\_\_\_

By: \_\_\_\_\_  
Authorized Officer

Date: \_\_\_\_\_

Witness:

**DONOR**

\_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_