



# CHURCH OF THE NAZARENE FOUNDATION

## DONOR-ADVISED FUND

This Agreement ("the Agreement") is entered into this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, between \_\_\_\_\_ ("Donor(s)") whose address is \_\_\_\_\_ and **CHURCH OF THE NAZARENE FOUNDATION** ("Foundation"), 13795 S. Mur-Len Road, Suite 101, Olathe, KS 66062.

Transfer of Assets. Donor(s) hereby contributes the sum of \$\_\_\_\_\_ cash and the following shares of stock: \_\_\_\_\_ to the Foundation to be held as a separate fund to be known as the "\_\_\_\_\_" (the "Fund"). The transfer by Donor(s) to the Foundation for the purpose of creating the Fund gives, delivers, transfers and assigns to the Foundation all of Donor(s)' rights, title and interest in and to the assets. Such assets thereafter become the assets of the Foundation, which shall have the sole legal right to determine the use of such assets.

2. Management of the Fund. The following terms and conditions shall apply with respect to the assets of the Fund:

a. Foundation's Ownership and Control. The Foundation shall administer the Fund in its sole discretion, and shall have full authority with respect to the investment of the assets and properties comprising the Fund from time to time. The assets of the Fund may be commingled with the Foundation's other assets and properties. The Foundation shall also have sole discretion with respect to the recipients of distributions from the Fund and the timing and amount of such distributions.

The Donor(s) recommend(s) that the Foundation invest the Fund in the below indicated asset allocation model:

*Check One*

- |  |                                 |  |
|--|---------------------------------|--|
| <input type="checkbox"/> Money Market                    | <input type="checkbox"/> Income | <input type="checkbox"/> Income & Growth   |
| <input type="checkbox"/> Growth & Income                 | <input type="checkbox"/> Growth | <input type="checkbox"/> Aggressive Growth |
| <i>Or</i>  |                                 |  |
| <input type="checkbox"/> The Donor has no recommendation |                                 |  |

b. Grants from the Fund. Grants from the Fund shall be made only to organizations: (a) that are described in Sections 170(c), 2055 and 2522 of the Internal Revenue Code, and classified as organizations other than private foundations under Section 509(a)(1), 509(a)(2) or 509(a)(3) of the Code, and (b) that further, and whose purposes further, as determined in the sole discretion of the Organization, the exempt purposes of the Organization as described in the Articles of Incorporation and Bylaws of the Organization (as amended from time to time) or (c) made for exclusively for charitable purposes as defined by Section 501(c) of the Internal Revenue Code, or (d) made for any other Donor(s) advised fund distribution authorized by the Internal Revenue Code.

c. Manner of Distribution. All grants from the Fund shall be distributed as directed by and in accordance with decisions of the Foundation after consideration of the Fund Advisor's (as hereafter defined) recommendations. The Foundation may accept or reject the recommendations by the Fund Advisor, applying reasonable standards and guidelines with regard thereto. The Foundation shall independently investigate the grantees recommended by the Fund Advisor to the extent necessary or desirable in the Foundation's sole discretion, prior to its decision to accept or reject such recommendations. The Foundation shall, from time to time, upon its own initiative: (a) make distributions from the Fund to organizations meeting the criteria described in Paragraph 2(B) above, other than those specifically requested by the Fund Advisor; (b) increase or decrease, as the Foundation sees fit, the

amounts of distributions from the Fund in a manner other than that suggested by the Fund Advisor; and (c) entertain requests for distributions from organizations other than organizations suggested by the Fund Advisor.

Should no distributions or significant activity occur in the Fund within any ten year period, the Foundation shall presume the fund to be inactive and shall distribute the entire Fund amount.

d. Advisors. Donor(s) shall be the initial fund advisor and such privilege to advise the Foundation terminates upon Donor(s)' death, resignation or incapacity to serve. The immediate successor advisor to the Fund shall be individual designate below. If the Fund is created by two or more persons jointly, the number of possible initial fund advisors may equal the number of Donors, however, such initial fund advisors must serve concurrently, and recommendations regarding grants from the Fund must be unanimous. If more than one immediate successor advisor is designated, such immediate successor advisors must serve concurrently, and recommendations regarding grants from the Fund must be unanimous.

Initial Fund Advisor(s):

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Email: \_\_\_\_\_

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Email: \_\_\_\_\_

Immediate Successor Advisor(s):

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Email: \_\_\_\_\_

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Email: \_\_\_\_\_

Further, Donor(s) selects as follows:

The Fund may continue under the provisions of this Agreement only for the life of Donor(s) and the life of the immediate successor advisor(s), then the Fund will be terminated and the Foundation shall continue to hold the Fund as a general unrestricted endowment fund and shall distribute the income and principal therefrom to such organizations as the Foundation in its absolute discretion, shall deem appropriate.

After the immediate successor advisor(s)' privilege to advise the Fund terminates upon their death, resignations or incapacity to serve, the successor advisors to the Fund shall be the adult lineal descendants of the Donor(s). Eligible lineal descendants shall form an Advisory Committee, which shall select one person who will have the authority to transmit the Advisory Committee's recommendations to the Foundation. The Advisory Committee may operate under such rules and procedures as it finds appropriate. Should the eligible lineal descendants fail to form an Advisory Committee and inform the Foundation of its existence within two years after the death, resignation or incapacity of the immediate successor advisor(s), then the Fund will be terminated and the Foundation shall continue to hold the Fund as a general unrestricted endowment fund and shall distribute the income and principal therefrom to such organizations as the Foundation in its absolute discretion, shall deem appropriate.

3. Additional Funds. The Fund may receive additional acceptable assets from time to time, from any person, institution or entity, who or which desires to contribute thereto and have such assets administered and distributed in accordance with the provisions hereof. Such desire shall be presumed from the receipt of any asset, security or check, designated for the Fund. Any such additional gifts shall be held under the terms and conditions hereof.
4. Statements. The Donor(s) shall receive reports on the Fund activity no less often than quarterly.
5. Administrative Fees. For providing administrative services the Foundation shall charge a fee or fees consistent with the then-current published fee schedule.
6. Conditions for Acceptance of Funds. Donor(s) agrees and acknowledges that the transfer herein provided for, and the establishment of the Fund are made in recognition of, and subject to, the terms and conditions of the Articles of Incorporation and Bylaws of the Foundation as from time to time amended, and such State and Federal statutes as may from time to time regulate the Foundation, and that the Fund shall at all times be subject to such terms and conditions.
7. Representations of Donor(s). Any recommendation of the Donor(s) as to a grant must be accompanied by a statement of the Donor(s) that the recommendation is nonbinding, and that the Donor(s) does not expect any goods or services in consideration of the contribution from the Foundation or any grantee from the Fund.
8. Representations of the Foundation. The Foundation represents to Donor(s) that it has received a ruling from the Internal Revenue Service that it is a tax exempt Foundation described in Sections 501(c)(3) and 509(a)(1) of the Code; that the facts and circumstances forming the basis for the issuance of the ruling have not substantially changed since the date of issuance thereof; and that the ruling has not been expressly or implicitly revoked.
9. Gift Date Determination. The gift date for the Donor(s)' gift to the Foundation shall be determined under the following rules:
  - a. Cash: If the gift is cash, the gift date shall be later of the date that the Donor(s) or Donor(s)' agent places the completed Agreement and/or the gift amount in immediately payable funds, in the U.S. postal system, or delivers the same to an employee of the Foundation authorized to accept possession of the Agreement and/or the gift amount, or transfers funds to the Foundation.
  - b. Certified Securities: If the gift is certified securities, the gift date shall be the later of the date that the Donor(s) or Donor(s)' agent places the completed Agreement or the certificate(s) and all necessary endorsements, in the U.S. postal system or delivers the same to an employee of the Foundation authorized to accept possession of the Agreement and the certificate(s) and all necessary endorsements.
  - c. Non-Certificated Securities: If the gift is held in a brokerage or custodial account, the gift date is the later of the date that the Donor(s) or Donor(s)' agent places the completed Agreement in the U.S. postal system, or delivers the same to an employee of the Foundation authorized to accept possession of the Agreement, or the date that the gift is delivered into the Foundation's account.
  - d. Tangible and Intangible Personal Property: The gift date is the later of the date that the Donor(s) or Donor(s)' agent places the completed Agreement in the U.S. postal system, or delivers the same to an employee of the Foundation authorized to accept possession of the Agreement, or the date that the property is delivered to and accepted by the Foundation.
  - e. Real Estate: The gift date is the later of the date that the Donor(s) or Donor(s)' agent places the completed Agreement or the deed to the property in the U.S. postal system, or delivers the same to an employee of the Foundation authorized to accept possession of the Agreement or the deed to the property. Note: In those states that require the recording of a deed to complete the transfer of property, the gift shall not be complete until the later of the date that the Donor(s) places the complete Agreement in the U.S. postal system, or delivers the same to an employee of the Foundation authorized to accept possession of the Agreement, or the date of the recording of the deed acceptable to the Foundation.
  - f. Multiple Asset Gift: If any Donor(s) gifts multiple assets as part of the original gift under this Agreement, the gift date is the later of the date that the last asset or the complete Agreement is placed in the U.S. postal system, or is delivered to an employee of the Foundation authorized to accept possession of the gift assets.

If a completed Agreement is received without the gift, or if a gift is received without a complete Agreement, the gift date shall be the later of the mailing/delivering of the last item received by the Foundation, as determined by the rules set forth above.

The gift date for deliveries by private courier is the later of the date that the gift or the completed Agreement is received by the Foundation.

10. **LEGAL DISCLOSURES TO DONOR(S).** I the Donor(s) acknowledge that I have read this Legal Disclosure and agree to the following terms and conditions:

a. I understand that the gift I am making is unconditional and irrevocable, and cannot be returned to me.

b. I understand my gift will be received by Church of the Nazarene Foundation ("Foundation"), a tax-exempt Foundation under Section 501(c)(3) of the Internal Revenue Code. I will receive a tax receipt from the Foundation, not from any grantee who may receive a distribution from the fund established by my contribution.

c. I understand that the Foundation exercises complete control and ownership of all gifts it receives and the grants it makes, and that the Foundation will perform an in-depth review of any grantee I recommend to ensure that the grantee is a qualifying charitable Foundation, and that a grant will meet the objectives of the Foundation. The review of any of my recommendations may include a review of the Internal Revenue Service letter of determination of the grantee's tax exempt status, its annual reports and any other applicable documents. If, for any reason, the Foundation determines that my recommended grantee is not a qualified grant recipient, the Foundation will make reasonable attempts to contact me to allow me to recommend an alternate grantee.

d. I understand that certain administrative costs and fees will reduce the amount of gifts which are made from the fund established with my contribution.

e. I understand that any contribution I make to the Foundation to establish a Donor(s) advised fund may not satisfy any legally binding pledge to the Foundation. Further, I may not make recommendations regarding grantees that will satisfy any legally binding pledges I have made to the grantee.

f. I understand I may not receive any tangible benefit, goods or services from the Foundation in exchange for making a contribution to the Foundation to establish a Donor(s) advised fund, or from a grantee whom I recommend to the Foundation in connection with the fund.

g. I understand that I should consult my tax advisor for information about the tax consequences of my gift.

h. This Agreement shall be interpreted and construed according to, and governed by the laws of the state in which the Foundation maintains its principal place of business.

**CHURCH OF NAZARENE FOUNDATION**  
13795 S. Mur-Len Road, Suite 101  
Olathe, KS 66062  
Telephone: (913) 397-7992  
Toll Free Telephone: (866) 273-2549  
Facsimile: (913) 397-9494

\_\_\_\_\_  
*Signature of Donor(s)*

By: \_\_\_\_\_  
Kenneth R. Roney, J.D.  
Executive Vice President

\_\_\_\_\_  
*Signature of Donor(s)*