

Donor Advised Fund

New Bremen Foundation Fund Agreement

**NEW
BREMEN**
FOUNDATION

P.O. Box 97, New Bremen, Ohio 45869

II. Fund Information

A. FUND PERMANENCE

The Donor may choose to make the Fund permanent by limiting the amount available for grant distributions to the Spending Policy of the Foundation.

- I would like the Fund to be able to make grant distributions from the entire balance of the Fund.
- I would like the Fund to be permanent and limit the amount available for grant-making to the Spending Policy of the Foundation

B. ANONYMITY

The Donor may choose to grant anonymously on a case by case basis through the grant recommendation process. Alternatively, should the Donor prefer default anonymity for all grants made from the Fund, please indicate below:

- Advisor name anonymous
- Fund name anonymous
- Completely anonymous in all Foundation publications
- Instruct grantee to omit Fund name from external communications
- Instruct grantee to omit Advisor name(s) from external communications

C. INTEREST AREAS

What are your charitable interests?

- Arts and Culture
- Civic Engagement
- Education
- Environment
- Health and Human Services
- Parks and Recreation
- Workforce and Economic Development
- Other _____

III. Gift Information

The Foundation does not provide legal or tax advice. The Donor is encouraged to work with a legal, tax or financial professional to determine the appropriate asset to give to the Fund.

Cash:

By check \$ _____ By wire \$ _____ Bank: _____

Securities:

\$ _____
Approximate Value Approximate # of shares Name of Security CUISP/Symbol

Type: Public Sent by: Electronic transfer
 Private Certificate transfer

Broker Name Firm Phone

Complex Assets:

\$ _____ Description: _____

- Planned Gift:** Bequest (Will or Trust) IRA / retirement plan assets
 Charitable remainder trust Life insurance
 Charitable gift annuity Charitable lead trust
 Other _____

Contributions are Irrevocable All gift contributions accepted by the Foundation become assets of the Foundation and are irrevocable. All gifts to the Foundation must further the charitable purpose and mission of the New Bremen Foundation. The Foundation reserves the right to review and approve all contributions.

IV. Terms and Conditions

Donor Advised Fund Terms and Conditions

All gifts made to the Fund are subject to the following Terms and Conditions as may be amended from time to time at the Foundation's sole discretion.

AGREEMENT

Agreement means this Fund Agreement made between the Donor and the Foundation.

DONOR

Donor means each person who is listed as a Fund Donor in Part I, Section A of this Agreement.

FUND

The Fund means the Donor Advised Fund named in Part I, Section B of this Agreement.

FOUNDATION

Foundation means The New Bremen Foundation, Inc., an Ohio non-profit corporation.

ADVISORS

Advisors initially mean each person who is listed as a Fund Advisor in Part I, Section C of this Agreement. Upon establishing a Fund, the Donor may give one or more Advisors the authority to access information regarding the Fund and make grant recommendations. Advisors may request to receive quarterly statements. A Donor is automatically an Advisor unless the Donor indicates in writing that he or she does not wish to be an Advisor.

APPOINTMENT OF ADDITIONAL AND SUCCESSOR ADVISORS

The Donor may appoint additional Advisors, successor Advisors, or change the Advisors of the Fund. Each appointment or change must be submitted in writing to the Foundation. There is no limit to the generations of successor Advisors that the Donor may appoint.

A Fund that is created by an organization, rather than an individual, is often advised by a committee with an identified process for appointing or changing new members. As with Funds created and advised by an individual, additional Advisors, successor Advisors, or changes in the Advisors must be submitted in writing to the Foundation by the organization and/or the appointed committee.

If there is no acting and successor Advisor to a Fund, and there is no written succession plan on file at the Foundation, then the balance of the Fund will be moved to the Foundation (unrestricted) Community Fund.

SUCCESSION PLANS

The Donor has the opportunity to request a succession plan for their Fund. There are many options available including naming successor Advisors, converting to a Designated Fund, converting to a Field of Interest Fund or converting to a (unrestricted) named Community Fund. All plans must be submitted in writing and are subject to the Foundation's approval.

MAKING GRANT RECOMMENDATIONS

Advisors may recommend grants be made to any qualified 501(c)(3) public charity in the United States. Grant recommendations are usually processed within seven business days of receipt, provided that the Foundation has received, or has on file, all necessary documentation to make the grant. Larger grants may take longer to process due to liquidity limitations. The Foundation will contact the Advisors if there is a delay in processing the grant request. Grants

will be designated for general operating support unless otherwise noted by the Advisor. Grant recommendations can be submitted through email or by phone. An unlimited number of grant suggestions can be made. The Donor and Advisors will receive confirmation via email or mail that grant suggestions have been approved and paid.

GRANT LIMITATIONS

The Foundation verifies that all organizations recommended for grants are qualified to receive a grant from the Fund and, if needed, will request documentation from the organization. In the event that a matter of concern should surface, the Foundation will advise the Advisors prior to releasing the grant.

U.S. Government regulations do not permit the Donor, Advisors or any related party to make grants for memberships, sponsorships, tickets, or to fulfill a pledge. No grant may be made to any individual and no grant can provide, directly or indirectly, more than an incidental benefit to the Donor, Advisors or any related party. The Donor, Advisors and related parties may not receive a grant, loan or similar payment from the Fund. Any grant that provides personal benefit risks significant penalties to the Donor and the Foundation. Fund grants may not be made to a private, non-operating foundation. Grants requiring expenditure responsibility are not permitted from a Fund.

ANONYMITY

The Foundation's IRS Form 990 is accessible through public online resources, but does not disclose individual giving amounts or activity. The Foundation offers various levels of anonymity as part of the grant recommendation process. The Donor may indicate a default preference for anonymity when completing this Agreement.

PERMANENT FUNDS

The Donor may request to make the Fund permanent by limiting the amount available for grant distributions to the Foundation's Spending Policy as it is in effect. The Donor may submit this request in writing to the Foundation. Should the Fund be permanent, successor Advisors may not change the distribution arrangement selected by the Donor.

LOW BALANCE FUNDS

The Foundation periodically reviews Funds with balances under the Foundation's \$5,000 minimum, and will contact the Donor to offer assistance, including the option to make additional contributions to the Fund to bring the Fund up to the minimum or grant out the Fund balance and close the Fund. Should a non-permanent Fund, with a balance below the Foundation's \$5,000 minimum become inactive for two years, neither receiving additional contributions nor making any grants, Advisors will be notified with 90 days warning that the Fund may be terminated and the balance moved to the New Bremen Community Fund.

LOW ACTIVITY FUNDS

The Foundation encourages the Donor and Advisors to retain an active role in their Donor Advised Fund. In order to carry out its mandate of distributing charitable dollars to the community, the Foundation periodically reviews the grantmaking activity of all Donor Advised Funds. Should a Fund with a balance of more than \$5,000 not make any grants after two years, the Foundation will contact the Advisors to discuss intentions for the Fund. If a Fund does not make any grants for another year, the Advisors will be given the following options:

- Provide a plan for funding a specific charitable project that requires an accumulation of resources for more than the three year period.
- Recommend total grants, equal to the equivalent of the Foundation's Spending Policy as retrospectively applied to the Fund, to one or more 501(c)(3) public charities of their choice.
- Recommend that the equivalent of the Foundation's Spending Policy as retrospectively applied to the Fund be transferred to the New Bremen Community Fund, to meet the most

pressing needs of the New Bremen community, or to one of the Foundation's Field of Interest Funds.

If Advisors cannot be located or are unresponsive after another year, making the Fund inactive for a total of four years, the Fund will be considered terminated and transferred to the New Bremen Community Fund.

INVESTMENTS

The Foundation has full authority and discretion to invest and reinvest the assets of the Fund. At the time of Fund establishment, the Foundation may offer the Donor the choice to elect one of three investment allocations: Balanced, Growth Balanced, and Conservative Balanced. The Donor may request to change the investment allocation in writing, subject to the approval of the Foundation. The Foundation may invest the assets of the Fund with other assets of the Foundation.

INVESTMENT RETURNS

Investment returns are allocated pro-rata to Funds on a monthly basis. Due to the inflows and outflows within each Fund, the returns are allocated using the average of the daily balances.

ADDITIONAL CONTRIBUTIONS

Once a Fund is established, the Donor may add to the Fund at any time, subject to the Foundation's gift acceptance policies. There is no minimum contribution amount. Additional contributions will be invested based on the investment allocation indicated in this Agreement unless the Donor instructs the Foundation in writing to make a different investment allocation permitted under these Terms and Conditions.

GIFT ACKNOWLEDGEMENT

All gifts are acknowledged in accordance with Internal Revenue Code requirements. Generally, the IRS requires taxpayers to complete and file a Form 8283 with their federal income tax return for gifts of property valued at \$5,000 or more. It is the Donor's responsibility to obtain a qualified appraisal for all gifts other than cash and marketable securities for tax deduction purposes.

DONOR FUNDRAISING

The Foundation must follow IRS guidelines regarding Donor Fundraising. Please contact the Foundation prior to making any third party solicitation.

FUND FEES

The Foundation may allocate a portion of each Fund to satisfy the Foundation's administrative, investment and other fees. At this time, it is the Foundation's policy to subtract asset management fees charged by third parties from a Fund, but not to assess additional fees for the Foundation's administration of a Fund. However, the Foundation reserves the right to amend its policy, but only as part of an across the board policy change that affects all Donor Advised Funds within the Foundation.

TAX STATUS AND IMPLICATIONS

All funds at the Foundation are component funds of the Foundation and are treated as assets of the Foundation. Any contribution to a component fund is automatically treated as a gift to a public charity under Sections 501(c)(3) and 170(b)(1)(A) of the Internal Revenue Code and is eligible for the maximum charitable deduction permitted under state and federal law. Each gift to the Foundation is acknowledged with a receipt confirming the date of the gift for the Donor's tax records.

Note: The New Bremen Foundation is not a licensed tax advisor. Donors should work with a financial, tax or legal professional to determine the best giving strategy for their needs.

SPENDING POLICY

The Foundation utilizes a Spending Policy to determine the amount available for annual grantmaking from the New Bremen Community Fund, Field of Interest and Designated Funds. Donor Advised Funds are not generally required to adhere to the Spending Policy, but a Donor may elect for the Fund to be subject to the Spending Policy as determined from time to time by the Foundation.

CONTROL OF ASSETS/MATERIAL RESTRICTION

In order for a contribution to be treated as a charitable gift, the IRS requires that the Foundation retain ultimate control over investments, administration, and granting activity. Additionally, the IRS requires all Funds be free of material restrictions imposed by the Donor in a manner consistent with the requirements of Section 1.507-2 of the Treasury Regulations.

VARIANCE POWER

IRS Treasury Regulations and the Foundation's Articles of Incorporation require that all contributions to the Fund be subject to a variance power, that gives the Board of Trustees of the Foundation the right to redirect the use of the Fund in any manner that is consistent with the Foundation's charitable purposes.

PRIVACY POLICY

The Foundation deeply values its relationship of trust with each Donor and the Fund Advisors. The Foundation's Confidentiality Policy governs the maintenance of personal data and provides that the Foundation will not sell, trade or exchange information about any Donor or Fund Advisor, and will honor the wishes of those who prefer to remain anonymous in all communications materials.

V. Signatures

- I/We desire to establish a Donor Advised Fund with the New Bremen Foundation and I/we have read and agree to the *Terms and Conditions*, (see pages 4 to 7) and other provisions of this Agreement. I/We understand that the transfer of the property described above is an irrevocable gift to the Foundation and is not refundable to me/us.

For the Donor:

Signature

Date

Signature

Date

For the New Bremen Foundation, Inc.:

Signature

Date

Title

VI. Notes