

CENTRE COUNTY COMMUNITY FOUNDATION, INC.

DISCRETIONARY FUND LETTER OF AGREEMENT

_____, 20____

Centre County Community Foundation, Inc.
2013 Sandy Drive, Suite 202
Post Office Box 648
State College, PA 16804-0648

In Re: _____ **Fund**

Ladies and Gentlemen:

A Discretionary Fund is hereby established within the Centre County Community Foundation, Inc., a Pennsylvania not-for-profit corporation (the "Foundation"), which shall be known as the _____ Fund (the "Fund").

Initial contributions to the Fund have been/will be made according to Attachment A. Distributions from the Fund shall be used for the general charitable purposes of the Foundation.

It is understood that the minimum amount for a Discretionary Fund within the Foundation is \$25,000. "Step-up funds" may be established with an initial minimum contribution of \$5,000 to build to \$25,000 minimum within five years. If the Fund fails to reach \$25,000 within five years the Board of Directors of the Foundation (the "Board") may combine these funds with other unrestricted or discretionary funds of the Foundation. No charitable distributions will be paid until a "step-up fund" reaches \$25,000.

The Fund may also include such additional property received at any time by the Foundation from any source which has been designated to be part of the Fund, and accepted by the Foundation for inclusion in the Fund. All future accruals, accumulations, interest, dividends and other capital growth of any nature, less all management fees, will be applied by the Foundation to the Fund in accordance with the accounting policies of the Foundation, consistently applied.

All distributions made from the Fund shall be in accordance with the spending policy of the Foundation as approved by the Board of Directors of the Foundation (the "Board") from time to time.

The Foundation will provide all appropriate accounting and financial management services associated with the Fund and shall select, from time to time, the investment advisor(s) for the Fund.

The Fund will be an integral component of the Foundation. Accordingly, the assets of the fund and all additions thereto from whatever source shall be credited, net of all other management and other administration expenses, which shall be allocated among all of the Foundations funds as

_____, 20__

determined in accordance with the accounting policies of the Foundation, consistently applied. No separate portfolio of assets shall be held solely for the Fund but, rather, the Fund shall participate in the investment performance results of the Foundation, overall.

The Fund shall be a component part of the endowment of Centre County Community Foundation, Inc., and not a separate trust, and nothing in this Agreement shall affect the status of the Foundation as an organization described in Section 501(c)(3) of the Code, and as an organization which is not a private foundation within the meaning of Section 509(a) of the Code. This Agreement shall be interpreted in a manner consistent with the foregoing intention and so as to conform to the requirements of the code and the regulations issued pursuant thereto. The Foundation is authorized unilaterally to amend this Agreement to conform to the provisions of any applicable law or government regulation in order to carry out the foregoing intention. References herein to provisions of the Code shall be deemed references to the corresponding provisions of any future Internal Revenue Code or regulations promulgated thereunder.

This Agreement is executed with the intent to be legally bound hereby.

Very truly yours,

DONOR: _____
Authorized Signatory

Accepted as of this _____ day of _____, 20__

CENTRE COUNTY COMMUNITY FOUNDATION, INC.

By: _____
Authorized Signatory