

**PASS-THROUGH FUND AGREEMENT
BETWEEN
COMMUNITY FOUNDATION OF THE TWIN TIERS, INC.
AND**

THIS AGREEMENT, made and entered into on _____, 20__ , by and between COMMUNITY FOUNDATION FOR THE TWIN TIERS, INC. (the "Foundation"), and _____ (hereinafter referred to as the "Donor") to evidence the absolute transfer by the Donor of certain property to the Foundation in order to establish a Pass-Through Fund. In doing so, the Donor will recommend recipients of grants from this fund throughout the year to be Foundation's Board of Directors. This Fund shall be administered in accordance with the provisions set forth below.

1. NAME OF THE FUND. The name of the Pass-Through Fund established with the property transferred is the {NAME OF FUND} (hereinafter referred to as "the Fund").

2. PURPOSE. The primary purpose of the Fund shall be to _____ {state specifically what the funds are to be used for}.

3. CONTRIBUTIONS. The Foundation hereby accepts the property transferred and affirms that it will hold such and any additional property transferred to the Fund on the terms and subject to the conditions set forth by this Agreement. The ultimate purpose of such property transfer is to create a temporary fund of at least \$50,000 with opportunity for the donor and/or supporters to make further contributions to the established Fund at any time.

4. DISTRIBUTIONS. No distribution shall be made from the Fund to any individual or entity if such distribution will in the judgment of the Foundation endanger the Foundation's Code section 501(c)(3) status. Subject to the Foundation's principles and procedures for pass-through funds, the commitments, grants or expenditures from the Fund contemplated shall be made at such time or times and in such amount or amounts as may be determined solely by the Foundation to such organizations of the type that meets IRS qualifications for a recipient organization and helps fulfill the mission of the Foundation. The Donor may from time to time submit to the Foundation in writing the names of specified organizations to which it is recommended distributions be made. All recommendations from the Donor shall be solely advisory, and the Foundation may accept or reject them, applying reasonable standards and guidelines with regard thereto. If the Foundation is not able to honor the recommendation(s) of the Donor it will explain its reason(s) for not doing so to the Donor and will work with the Donor to select eligible recipients. All grants made by the Foundation from this Fund will acknowledge this Fund as the source.

5. ADMINISTRATION. The Fund shall be held on the terms and subject to the conditions set forth in the Foundation's government instruments, including its Articles of Incorporation and Code of Business Conduct, as amended from time to time, and any resolutions and procedures from time to

time in effect. Subject to such terms and conditions, all property transferred shall be held in perpetuity with periodic distributions as provided in the Agreement. The Foundation shall assess a reasonable fee to administer this Pass-Through Fund.

The Board agrees to provide the Founding Contributor and any Donor that has contributed to the Foundation at least \$10,000 a copy of the annual examination of the finances of the Foundation as reported upon by independent certified public accountants.

6. ASSET MANAGEMENT. Control over the investment or reinvestment of such property and the asset management of the Fund will be exercised exclusively by the Foundation.

7. CONTINUITY. The Fund shall continue for one year or so long as assets are available in the Fund and the purposes in the Fund can be served by its continuation. The Fund is renewable at the end of the year if agreeable by both parties to this agreement. If the Fund is terminated, the Foundation shall devote any remaining assets in the Fund exclusively for charitable purposes that:

- (a) are within the scope of the charitable purposes of the Foundation's Articles of Incorporation; and,
- (b) most nearly approximate, in the good faith opinion of the Board, the original purpose of the Fund.

8. NOT A SEPARATE TRUST. The assets of the Fund shall be the assets of the Foundation and not a separate trust. The Fund shall be organized and administered so that the Federal Income Tax status of the Foundation as a public charitable organization under Section 501(c)(3) of the Internal Revenue Code, as amended, will not be adversely affected. This Agreement will be interpreted in a manner consistent with the Federal Income tax provisions and regulations that govern the operation of the Foundation, and it may be amended from time to time by the Foundation's Board to conform to such provisions and regulations.

9. ACCOUNTING. The receipts and disbursements of this Fund shall be accounted for separately and apart from those of other gifts to the Foundation.

10. IRREVOCABLE GIFT. The Donor understands and declares that this Agreement and the donations it represents are absolute and irrevocable and that, after the execution of this instrument, the Donor shall have no right, title, interest, or incidents of ownership in the property described in EXHIBIT A or any additional property transferred to this Fund. Further, the Donor shall have no unilateral right to alter, amend or terminate this agreement.

11. COSTS OF THE FUND. It is understood and agreed that the Fund shall have an administrative fee charged against any incoming funds. Any interest earned during the year by the fund will be reinvested back into the Fund for use in making distributions from the Fund. This fee charged against the Fund shall be determined in accordance with the then current fee schedule identified by the Foundation as applicable to funds of this type. Any costs to the Foundation in accepting, transferring or managing property donated to the Foundation for the Fund shall also be paid from the Fund.

IN WITNESS WHEREOF, this instrument has been executed by the Donor and on behalf of the Foundation on the day and year first above written.

DONOR

{NAME OF DONOR(S)}

Received for the Community Foundation for the Twin Tiers, Inc. by:

By _____
{NAME & TITLE}

EXHIBIT A

Property contributed by:

{DONOR NAME}

to the:

{FUND NAME}

of the Community Foundation for the Twin Tiers

Pursuant to Establishment of Fund Agreement
Executed the {DAY} day of {Month}, 2008.

Property Description:

\$ {AMOUNT OF PROPERTY DONATED}
{DESCRIPTION OF PROPERTY DONATED}
{DATE PROPERTY RECEIVED}