

Designated Fund Contract

Date
Name
Address
City, State Zip

Dear:

_____ shall deliver on or about _____
_____ to the Viroqua Area Foundation (VAF), assets in the amount of _____
intended to _____.

It is their request that this grant, together with any additional grants, which may hereafter be made by _____ or other donors to the fund hereafter described, be used to establish and maintain a component fund (the "Fund") of the VAF to be held and administered by the VAF as follows:

1. The Fund shall be known as the _____ Fund and shall be identified as such by the VAF in the course of the administration and distribution thereof. It shall be structured as a designated fund, a component fund of the VAF whose beneficiaries have been specified by a donor or a governing board.
2. The designated purpose of the Fund is to _____

Payouts to beneficiaries of the Fund are made for such purposes consistent with those set forth in the VAF's Bylaws as now exist or may hereafter be amended. Payouts are based on a percentage of the total return of the Fund, with the remaining portion left to allow the Fund to grow. However, the Board of Directors of the VAF may, if it determines unusual circumstances exist which make it advisable to invade principal, authorize distributions from the principal of the Fund for the designated purpose of the Fund.

3. An Advisory committee, designated by _____, shall be responsible for setting the guidelines for distributions from the Fund and shall advise the VAF as to the amount and timing of such distributions. The VAF shall review the proposed distributions to ensure they are not inconsistent with the VAF's Bylaws as amended and are in compliance with the designated purpose of the Fund. If deemed appropriate, the VAF may request evidence of authorization by the party executing this agreement to direct the amount and timing of distributions from the Fund.

4. Notwithstanding anything herein to the contrary, the Fund shall at all times be held and administered in accordance with the provisions of the Bylaws of the VAF which are hereby accepted and agreed to by the undersigned, including those provisions relating to amendment, termination, and variance from donors' direction. The undersigned acknowledges that under the provisions of the Bylaws, and as required by regulations promulgated pursuant to the Internal Revenue Code of 1985, as amended, the VAF has explicit authority to redirect the assets of any fund it administers. However, the VAF does not anticipate exercising such authority unless, in the opinion of the Board of Directors, the purposes for which the fund was established become unnecessary, incapable of fulfillment, or inconsistent with the needs of the community.

5. It is intended that the Fund shall be a component part of the VAF and that nothing in this agreement shall affect the status of the VAF as an entity that is qualified charitable organization. This agreement shall be interpreted in a manner consistent with this intention and so far as to conform to the requirements of the Internal Revenue code and any regulations promulgated pursuant thereto applicable to the intended status of the VAF.

If the foregoing is acceptable to you, kindly so indicate by dating and signing the enclosed copy of this letter in the space provided and return it to the VAF. Upon such acceptance, this letter will constitute our agreement with respect to the Fund and all prior discussions or agreements concerning the Fund are merged herein and made a part hereof.

Sincerely,

James Hohlfelder
President Viroqua Area Foundation

Accepted this ____ day of _____, 20__.

By: _____
Name / Title

On behalf of : _____
Organization