

MINOT AREA COMMUNITY FOUNDATION  
SCHOLARSHIP ENDOWMENT FUND AGREEMENT

**FBIR SCHOLARSHIP FUND**  
**Silver Endowment Donors**

THIS AGREEMENT is made on this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_, to establish an endowed fund (the “Fund”) within The Minot Area Community FOUNDATION, a North Dakota not-for-profit corporation located in Minot, North Dakota (“FOUNDATION”) by:

X (“DONOR”) Address City	X (SCHOLARSHIP NAME)
X (“DONOR”) Address City	X (Selection Chairman) Address City
Email of Donor:	Email of Selection Chairman:

**1. Purpose of the Fund**

- a. The FOUNDATION may use the Fund only for educational purposes in furtherance of the charitable initiatives of the DONOR and the purposes of the FOUNDATION as set forth in its Articles of Incorporation and By-Laws.

**2. Contributions to the Fund**

- a. The DONOR(s) will transfer and deliver to the FOUNDATION, as an irrevocable and unconditional gift, certain property to be used to create the Fund. After the FOUNDATION has accepted such property and created the Fund, the FOUNDATION will administer and use the Fund in accordance with this Agreement, including Grantmaking Policies established and amended from time to time by the FOUNDATION’s Board of Directors.
- b. The DONOR(s) and any other person or entity may make additional contributions to the Fund by making an outright gift or pursuant to a bequest or other deferred or planned gift in increments of \$25,000.00. The FOUNDATION’s Board of Directors may, in its sole discretion, accept or refuse any gift. Each contribution to the Fund shall be an irrevocable, nonrefundable and unconditional gift to the FOUNDATION.
- c. The Fund will be the property of the FOUNDATION and will not be deemed a separate trust fund held by it in a trustee capacity. The Fund will operate under, and all assets held in the Fund will be subject to, the governing instruments (including the Articles of Incorporation and Bylaws of the FOUNDATION) and the Grantmaking Policies, as revised from time to time, provisions of applicable North Dakota law, and control of the FOUNDATION through its Board of Directors.



### **3. Grantmaking**

- a. The Fund may make distributions each year to be used to provide education scholarships for graduating high school students (or GED recipients) living within the boundaries of the Fort Berthold Indian Reservation. The scholarship shall be awarded annually unless the Selection Chairman in any year determines that no qualified candidate is available for their Donor's Scholarship. Scholarships must be used within two years of award for reimbursement of qualified educational expenses, as detailed in the Spending Policy.
- b. The Selection Chairman will be appointed by each Donor for their Scholarship as indicated below. The Donor or Donor's Representative may change their Selection Chairman through written notice to the FOUNDATION. If the Donor fails to elect a Selection Chairman or chooses not to elect a Selection Chairman, the Foundation's Board of Directors will fulfill the role of Selection Chairman for their Scholarship.
- c. For each unconditional gift of \$25,000.00, the Selection Chairman may select one Recipient of the Donor's Scholarship annually. Typically, the annual scholarship amount will be \$1,000.00, but the amount is subject to change based on market conditions. The Selection Chairman may also select additional criteria for the Donor's Scholarship upon approval by the Board of Directors.

### **4. Fund Administration by the FOUNDATION**

- a. The Fund created under this Agreement is intended to be, and will be administered as, a component fund of the FOUNDATION under applicable federal Treasury Regulations.
- b. The Fund will be subject to the power reserved to the FOUNDATION's Board of Directors to modify any condition or restriction on the distribution of funds if in its sole judgment such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the area served by the FOUNDATION.
- c. The FOUNDATION shall charge the Fund a fee in accordance with the then prevailing fee schedule. This fee is in addition to any investment fees, costs associated to acceptance of donated assets and to any expenses relating specifically to the Fund (e.g. special printing costs, supplies, legal services, and so forth), which will be paid by the Fund.

### **5. Distributions from Endowed Funds**

- a. The distributions the FOUNDATION makes from permanent, endowed funds is limited each year to a distributable amount determined pursuant to a Spending Policy, as set and amended from time to time by the Board of Directors. The Spending Policy is designed to protect the economic value of the principal of the Fund, help the principal grow over time, give grantees the benefit of a reasonably stable, consistent and predictable flow of funds, and smooth the effect of market volatility in earnings on the investment of endowment fund assets over a period of years.

**6. Publicity**

- a. The name of the Fund and the name of the DONOR may be listed in the FOUNDATION’s annual report, newsletters, news releases, website or other informational venues unless the DONOR(s) has requested in writing not to be included in such publications.

**7. Choice of Law; Venue**

- a. This Agreement will be governed by and construed in accordance with the laws of the State of North Dakota, other than conflict of laws principles that would apply the laws of another jurisdiction. The parties agree that any legal proceeding will be brought only in courts having jurisdiction over Ward County, North Dakota and agree to submit to jurisdiction and venue in such courts.

**8. Donor Acknowledgements**

- a. By signing this Agreement, the undersigned DONOR(s) hereby acknowledges and confirms to the FOUNDATION that they have read and understands this Agreement and understands that:
- b. all gifts made to the FOUNDATION for inclusion in the Fund are irrevocable;
- c. no person may subject the Fund, directly or indirectly, to any material restriction or condition as described in the regulations promulgated under Section 170 of the Internal Revenue Code;
- d. no person may use the Fund to discharge or satisfy a legally enforceable pledge or obligation of any person;
- e. distributions from the Fund will be limited by the FOUNDATION’s Spending Policy; and
- f. no person may receive any economic or other tangible benefit in return for a distribution from the Fund.

By our respective signatures below, we indicate our agreement to the foregoing terms and conditions governing the Fund, effective as of \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

**DONOR:**

Minot Area Community Foundation

\_\_\_\_\_  
[DONOR(s) name or Rep.]      Date

By: \_\_\_\_\_  
Jason Zimmerman, its President

\_\_\_\_\_  
[DONOR(s) name or Rep.]      Date

\_\_\_\_\_

