



FUND AGREEMENT

Jane and Joe Oregon Scholarship Fund

JANE OREGON and JOE OREGON (the "Donors") and THE OREGON COMMUNITY FOUNDATION, an Oregon nonprofit corporation ("OCF"), hereby agree to establish a charitable fund, subject to the following conditions:

1. Any and all assets transferred to OCF under this agreement, whether during the lifetimes of the Donors or after their deaths, shall be designated by OCF as the Jane and Joe Oregon Scholarship Fund (the "Fund").
2. The assets of the Fund may be commingled with other OCF property for investment purposes.
3. The Fund is intended to be and shall be administered as a component fund of OCF and shall be subject to OCF's articles of incorporation and bylaws, as amended from time to time (including without limitation the provisions thereof authorizing OCF to vary or modify restrictions or conditions that it believes are unnecessary, incapable of fulfillment, or inconsistent with the charitable, educational, and scientific needs of the state of Oregon), and the terms of this agreement shall be construed and applied in all respects in a manner not inconsistent with OCF's articles of incorporation and bylaws. The assets of the Fund shall be held and owned by OCF in its corporate capacity and shall not be deemed to be held by OCF as trustee of a separate trust for any beneficiary.
4. OCF shall distribute not less often than annually an appropriate percentage of the fair market value of the Fund for the charitable purposes described in paragraph 5. Such percentage shall be the percentage determined from time to time by the board of directors of OCF under its grant percentage payout policy for permanent funds. In determining such percentage, the board of directors of OCF will consider the expected total return on the investment of the permanent funds of OCF, the desirability of maintaining the real value of the permanent funds of OCF, and any and all other factors that OCF deems relevant in its sole discretion. In no event will such percentage be less than a reasonable rate of return.
5. OCF shall make charitable distributions from the Fund for the award of scholarships to graduates (or the equivalent) of **[EXAMPLE 1: high schools in the state of Oregon]** **[EXAMPLE 2: high schools in _____ County, Oregon]** **[EXAMPLE 3: _____ High School, _____, Oregon]**, for use in pursuit of post-secondary education at public or private nonprofit colleges (including community colleges) or universities in the United States that are eligible to participate in the federal student financial aid program. The purpose of the Fund is to provide scholarships to those students who show

academic or vocational potential and due to their economic circumstances are not able to pay their total college costs from personal or family resources.

6. The Fund shall be administered and all scholarships awarded on an objective and nondiscriminatory basis pursuant to policies and procedures approved in advance by OCF's board of directors, and such policies and procedures shall be designed in part to ensure that all scholarship grants meet the requirements of Internal Revenue Code section 4945(g). Scholarship recipients shall be selected by OCF in its sole discretion. In administering the Fund and selecting recipients, OCF will observe the conditions of paragraph 5 and the following guidelines:

- (a) Scholarship recipients shall be enrolled or planning to enroll at a post-secondary institution that is eligible to participate in the federal student financial aid program.
- (b) Financial need shall be determined by a federally-approved need analysis form or other objective means.
- (c) Awards may be renewed if the recipient reapplies each year, documents adequate progress toward a degree, remains in good standing at the institution at which he or she is enrolled, and has continuing financial need. The recipient may not, however, receive awards for more than 12 academic quarters or eight academic semesters.
- (d) The number and amount of scholarships awarded shall be in the sole discretion of OCF.
- (e) **[OPTIONAL: describe additional criteria, such as field of study.]**
- (f) OCF may in its discretion use additional criteria to select scholarship recipients, provided that such criteria are consistent with the purposes of the Fund.

7. **[OPTIONAL ADVISORY PROVISION]** Before making any scholarship distributions from the Fund, OCF shall consult with and seek the advice of an advisory committee consisting of between ___ and ___ persons selected by OCF, the initial members of which shall be _____, _____, and _____. Under no circumstance shall more than a minority of the members of the advisory committee consist of donors to the Fund or persons related to donors of the Fund, within the meaning of Internal revenue Code section 4966(d)(2)(B)(ii), and no combination of such persons may control the advisory committee, directly or indirectly.

8. OCF shall appropriately memorialize the Fund in OCF's annual report for as long as the Fund remains in existence.

9. Unless OCF receives instructions to the contrary, all charitable distributions from the Fund shall be identified to the beneficiaries as coming from the Fund and OCF.

DATED _____, 200__.

THE OREGON COMMUNITY FOUNDATION

By: _____
Gregory A. Chaillé, President

OCF may not provide tax or legal advice. All donors are encouraged to consult with their own tax and legal advisors.