

DONOR ADVISED FUND
FUND AGREEMENT

Please Complete This Form to
Establish a DONOR ADVISED FUND
at the Boston Foundation, Inc.

Return to:

Donor Services
The Boston Foundation
75 Arlington Street
Boston, MA 02116

1. GENERAL INFORMATION

A. NAME YOUR CHARITABLE FUND

Funds at the Boston Foundation are identified by a fund name and number.
Please indicate the preferred name of your fund here:

Name of Fund

B. FUND FOUNDER(S) *Fill in all areas.*

Individual/s Trust/Foundation Estate Corporation Other

1. Mr. Mrs. Ms. Mx. Dr. _____
First Name Middle Initial Last Name Nickname if preferred

2. Mr. Mrs. Ms. Mx. Dr. _____
First Name Middle Initial Last Name Nickname if preferred

Name of Trust, Foundation, Estate or Corporation (if applicable)

FUND FOUNDER 1

Preferred contact information: _____
Home / Work

Home Mailing Address:

Street City State Zip Code

Phone: _____ Type: _____
Home / Cell

Alternate Phone: _____ Type: _____
Home / Cell

Email: _____
Personal

Date of Birth: _____
Month / Day / Year

Please check this box if the person above is **not** a Fund Advisor:

Work Mailing Address:

Company

Street City State Zip Code

Phone: _____ Email: _____
Work Work

Unless otherwise indicated below, the Boston Foundation sends out all correspondence via email.

- I/We prefer to receive grant approval reports and quarterly statements via mail (as well as electronically).
I/We prefer to receive quarterly statements at: Home Address Work Address

FUND FOUNDER 2

Preferred contact information: _____
Home / Work

Home Mailing Address:

Street _____ City _____ State _____ Zip Code _____

Phone: _____ Type: _____
Home / Cell

Alternate Phone: _____ Type: _____
Home / Cell

Email: _____
Personal

Date of Birth: _____
Month / Day / Year

Please check this box if the person above is **not** a Fund Advisor:

Work Mailing Address:

Company _____

Street _____ City _____ State _____ Zip Code _____

Phone: _____ Email: _____
Work Work

Unless otherwise indicated below, the Boston Foundation sends out all correspondence via email.

- I/We prefer to receive grant approval reports and quarterly statements via mail (as well as electronically).
I/We prefer to receive quarterly statements at: Home Address Work Address

C. NAME ADDITIONAL ADVISORS

The Fund Founder(s) listed in Section B are considered Fund Advisors, unless otherwise identified, and have the authority to access fund information, recommend grants, name additional Fund Advisors and successor advisors. To name additional Fund Advisors, please complete the section below.

ADDITIONAL FUND ADVISOR 1

Mr. Mrs. Ms. Mx. Dr. _____
First Name Middle Initial Last Name

Preferred contact information: _____
Home / Work

Home Mailing Address:

Street City State Zip Code

Phone: _____ Type: _____
Home / Cell

Alternate Phone: _____ Type: _____
Home / Cell

Email: _____
Personal

Date of Birth: _____
Month / Day / Year

Work Mailing Address:

Company

Street City State Zip Code

Phone: _____ Email: _____
Work Work

Unless otherwise indicated below, the Boston Foundation sends out all correspondence via email.

I/We prefer to receive grant approval reports and quarterly statements via mail (as well as electronically).

I/We prefer to receive quarterly statements at: Home Address Work Address

ADDITIONAL FUND ADVISOR 2

Mr. Mrs. Ms. Mx. Dr. _____
First Name Middle Initial Last Name

Preferred contact information: _____
Home / Work

Home Mailing Address: _____
Street City State Zip Code

Phone: _____ Type: _____
Home / Cell

Alternate Phone: _____ Type: _____
Home / Cell

Email: _____
Personal

Date of Birth: _____
Month / Day / Year

Work Mailing Address: _____
Company

Street City State Zip Code
Phone: _____ Email: _____
Work Work

Unless otherwise indicated below, the Boston Foundation sends out all correspondence via email.

- I/We prefer to receive grant approval reports and quarterly statements via mail (as well as electronically).
I/We prefer to receive quarterly statements at: Home Address Work Address

Please add additional advisors on a separate sheet and include name, address, email and phone number with completed fund agreement.

D. FUND ACCESS

Using the form below, Fund Advisors may authorize people other than an Additional Fund Advisor to receive quarterly statements and have **read-only access** to fund information online. This may be amended from time to time in writing by a Fund Advisor.

Professional Advisor Lawyer Accountant Financial Advisor Other _____

Name: _____

Firm: _____

Address: _____

Phone: _____

Email: *(required for fund access)* _____

Unless otherwise indicated below, the Boston Foundation sends out all correspondence via email.

- I/We prefer to receive grant approval reports and quarterly statements via mail (as well as electronically).

II. INITIAL GIFT INFORMATION

The Boston Foundation recommends that donors work with a legal, tax or financial professional to determine the best charitable gifting asset for their needs. **For wiring instructions or to discuss a possible gift, please call Donor Services at 617-338-2213.**

Is this a conversion from a Private Foundation or Trust? yes no

If yes, the name is: _____

Cash:

By check \$ _____ By wire \$ _____ Bank: _____

Securities:

\$ _____
Approximate Value Approximate # of shares Name of Security CUSIP/Symbol

Type: Public Sent by: Electronic transfer
 Private Certificate transfer

Broker Name Firm Phone

Complex Assets:

\$ _____ Description: _____

Planned Gift: Bequest IRA/retirement plan assets
 Charitable remainder trust Life insurance
 Charitable lead trust Other _____

All contributions made to the Boston Foundation become assets of the Boston Foundation and are irrevocable as tax deductible gifts. All gifts to the Boston Foundation must further the charitable purpose and mission of the Boston Foundation. The Boston Foundation reserves the right to review and approve all contributions.

All contributions to the Boston Foundation are subject to the Boston Foundation's variance power, as stated in Article 4.7 of its Articles of Organization, which gives the Board of Directors of the Boston Foundation the right to redirect the use of any fund under certain conditions to better meet the changing needs of the community.

III. INVESTMENTS

INVESTMENT SELECTION

Funds at the Boston Foundation are invested in the Fund for the 21st Century. Donors may customize the investments of their fund by allocating assets among the following four pools. Please indicate your desired allocation of 100% of assets below. The allocation must total 100%.

_____ % **Balanced Plus Pool**

Designed to produce the highest long-term investment return.

_____ % **Balanced Pool**

Designed with a 75% allocation to equity-like investments and a 25% allocation to U.S. Treasuries.

_____ % **Impact Pool**

A diversified, socially responsible investment option that aims to generate positive social global impact and returns.

_____ % **Short Term Pool**

Designed for minimal risk, this portfolio is invested in money market funds and short-term U.S. Treasuries.

I have verified that my total investment allocation equals 100%.

Donors may add to their funds using a variety of assets, including cash, securities, restricted stock, partnership interests and real estate. As a default, all future contributions will be invested based on the allocation referenced above. The default allocation may be changed upon written request.

Investment information, investment policy statement, and performance information are available at www.tbf.org/donors/investment-options or upon request.

For more information, call Donor Services at: 617-338-2213.

IV. FUND INFORMATION

A. GRANTMAKING OPTIONS FOR FUND

Donors may choose to make their Donor Advised Fund permanent by limiting the amount available for grant distributions per the Foundation's Spending Policy. If you have any questions about the below options, please call Donor Services at 617-338-2213.

- I would like my fund to be able to make grant distributions from the entire balance (unrestricted)
- I would like my fund to be permanent and limit the amount available for grantmaking to the spending policy of the Boston Foundation (endowed)

B. GRANT DISTRIBUTIONS

As a **default**, grant distributions are paid from your fund in the following order:

- Grantmaking, if any
- Short Term Pool
- Balanced Pool
- Balanced Plus Pool
- Impact Pool

C. ANONYMITY SELECTIONS

- Please make my fund name anonymous in all Boston Foundation publications.

Donors may choose to grant anonymously on a case by case basis through the grant recommendation process. Each time you recommend a grant through the donor portal, the following options will be available to you:

Advisor Name:

- Anonymous to grantee
- Disclosed to grantee but instruct grantee to omit Advisor name(s) from external communications

Fund Name:

- Anonymous to grantee
- Disclosed to grantee but instruct grantee to omit Fund name(s) from external communications

The Boston Foundation's IRS Form 990 is accessible through its own website and other public online resources, but it does not disclose individual giving amounts or activity.

D. INTEREST AREAS

What are your charitable interests? Choose as many as apply.

- | | |
|--|--|
| <input type="checkbox"/> Arts | <input type="checkbox"/> Health |
| <input type="checkbox"/> Basic Needs | <input type="checkbox"/> Housing and Community Development |
| <input type="checkbox"/> Civic Engagement | <input type="checkbox"/> Human Services |
| <input type="checkbox"/> Criminal Justice Reform | <input type="checkbox"/> International |
| <input type="checkbox"/> Education – Early Childhood | <input type="checkbox"/> LGBTQ |
| <input type="checkbox"/> Education – K-12 | <input type="checkbox"/> Religious Giving |
| <input type="checkbox"/> Education – Higher Ed | <input type="checkbox"/> Social and Racial Justice |
| <input type="checkbox"/> Out of School Time | <input type="checkbox"/> Workforce Development |
| <input type="checkbox"/> Environment | <input type="checkbox"/> Youth Development |
| <input type="checkbox"/> Food Systems | <input type="checkbox"/> Other: _____ |

E. HOW DID YOU LEARN ABOUT THE BOSTON FOUNDATION?

- Professional Advisor Lawyer Accountant Financial Advisor Other _____

Name: _____

Firm: _____

Address: _____

Phone: _____

Email: _____

- Current Donor

Name: _____

- Boston Foundation publications

- Media coverage _____

- Boston Foundation website

- Family/Friend

Name: _____

- Foundation employee

Name: _____

- Other: _____

V. SIGNATURES

By signing below, I/We acknowledge that I/we have read this Fund Agreement (pages 1 to 10) and agree to the Boston Foundation's *Terms and Conditions*, (see pages 11 to 16) and agree to the policies described therein. I/We understand that the transfer of the property described above is an irrevocable gift to the Boston Foundation and is not refundable to me/us.

In addition, I/we acknowledge receipt of a copy of the current fee schedule.

Fund Founder(s):

Signature

Date

Signature

Date

For the Boston Foundation, Inc.

Signature

Date

Title

VI. GLOSSARY OF TERMS AND CONDITIONS

All gifts are subject to the Boston Foundation's Terms and Conditions as may be amended from time to time at the Foundation's sole discretion.

ADDITIONAL CONTRIBUTIONS

Once a fund is established, donors may add to the fund at any time. There is no minimum contribution amount. Additional contributions will be deposited to the fund based on the investment allocation indicated in this Fund Agreement unless the Foundation is instructed otherwise in writing. Donors have the option to allocate additional contributions to one or more of the investment pools available.

APPOINTMENT OF ADDITIONAL AND SUCCESSOR ADVISORS

Requests to appoint additional advisors, successor advisors, or changes in the Fund Advisors must be communicated to the Foundation in writing. Such requests will be accepted from the Fund Founder, or from the majority of Fund Advisors if the Fund Founder is not a current advisor. There is no limit to the generations of successor advisors that can be named unless specified by a Fund Founder or a Fund Advisor. Should the Fund Advisor be deceased, unwilling, or unable to serve or cannot be located, and a successor advisor has not been named and there is no written succession plan on file at the Boston Foundation, the balance of the fund will be moved to the Permanent Fund for Boston, Greater Boston's endowment.

Donor Advised Funds created by groups of donors rather than by individual donors, are often advised by an appointed committee with an identified process for selecting new members. As with funds created and advised by individuals, additional advisors, successor advisors, or changes in the Fund Advisors must be communicated to the Foundation in writing by the organization and/or the appointed committee.

ASSIGNMENT

The rights and obligations with respect to a fund may not be transferred nor assigned without the prior written consent of a majority of the Fund Advisors or Fund Founder(s) and the Boston Foundation. The advised function of any fund cannot be transitioned or varied without the prior written approval of the Boston Foundation.

CONFLICT OF TERMS

In the event of an inconsistency between these Terms and Conditions and any terms and conditions appearing elsewhere in connection with this fund, these Terms and Conditions as interpreted by the Foundation shall govern, and the Foundation reserves the right to take any actions at any time which, in its discretion, it deems reasonably necessary or desirable for the proper administration of this fund.

CONTROL OF ASSETS/MATERIAL RESTRICTION

In order for a contribution to be treated as a tax-deductible gift, the IRS requires that the Boston Foundation retain ultimate control over investments, administration, and granting activity. Additionally, the IRS requires all such funds be free of material restrictions imposed by donors in a manner consistent with the requirements of Section 1.507-2 of the Treasury Regulations.

DISPUTES

This Fund Agreement (including these Terms and Conditions) between a Fund Founder and the Boston Foundation is governed by the laws of the Commonwealth of Massachusetts without regard to its conflicts of law principles. Venue for any disputes arising out of or in connection with a fund shall be sited in the federal or state courts located in Boston, Massachusetts.

DONOR FUNDRAISING

The Boston Foundation maintains rigorous donor fundraising policies in accordance with IRS guidelines and the Massachusetts Division of Public Charities. This includes when memorial gifts are solicited for a fund. Please contact the Boston Foundation prior to making any third-party solicitation.

EXCESS BUSINESS HOLDINGS

Federal law imposes certain limitations on accepting and retaining gifts of assets to a Donor Advised Fund and does not allow Donor Advised Funds to purchase certain business holdings. The holdings of a Donor Advised Fund in a business enterprise, together with the holdings of persons who are disqualified persons with respect to that fund, may not exceed any of the following:

- Twenty percent of the voting stock of an incorporated business
- Twenty percent of the profits interest of a partnership or joint venture or the beneficial interest of a trust or similar entity
- Any ownership of an unincorporated business that is not substantially related to the fund's purposes

The Boston Foundation will identify and monitor any new gift to a Donor Advised Fund of any interest qualifying as an "excess business holding" under Section 4943 of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, and will accept such gifts as appropriate according to the Boston Foundation's Gift Acceptance Policies. Such gifts require disclosures from the donor prior to acceptance. The Foundation will exercise reasonable efforts to dispose of the contributed interest within five years of the date of the gift, as required under the law, except in the event that the Treasury Department grants an additional five-year holding period.

FEES

Please refer to the Boston Foundation's Charitable Fund Fee Schedule (available upon request) for current fee rates and methodology. The Charitable Fund Fee Schedule is subject to change at the discretion of the Boston Foundation.

FUND ADVISORS

Upon establishing a Donor Advised Fund, the Fund Founder may give one or more Fund Advisors the authority to access information regarding the fund, make grant recommendations and make recommendations regarding investment allocations. Fund Advisors will be able to access quarterly statements electronically and may request to have statements sent by mail. A Fund Founder is automatically a Fund Advisor unless otherwise indicated in writing by the Fund Founder.

FUND FOUNDER

The Fund Founder is defined as the person who established the fund and is responsible for the initial contribution. If the Fund Founder is not a current Fund Advisor, the named Fund Advisors shall act on the Fund Founder's behalf. For these Terms and Conditions, the Boston Foundation will communicate with the Fund Founder or Fund Advisor(s) as appropriate.

GIFT ACKNOWLEDGMENT

Gifts are acknowledged in accordance with Internal Revenue Code requirements. Generally, the IRS requires taxpayers to complete and file a Form 8283 with their federal income tax return for gifts of property valued at \$5,000 or more. It is the donor's responsibility to obtain a qualified appraisal for all gifts other than cash and marketable securities for tax deduction purposes.

GRANTMAKING ACCOUNT

Fund Founders may elect to have spending policy applied to their Donor Advised Fund, either as a permanently endowed fund or for the Fund to act as endowed. Funds will then be transferred on a quarterly basis to the grantmaking account and thereby available to be granted out.

GRANT LIMITATIONS

The Foundation verifies that all organizations recommended for grants are classified as public charities under Section 501(c)(3) of the Internal Revenue Code and, if needed, will request documentation from the organization. In the event that a matter of concern should surface, the Foundation will advise the Fund Advisor who recommended the grant while additional research is performed.

Federal Law does not permit grants for memberships, sponsorships or tickets. In addition, federal law does not permit grants for the fulfillment of a Fund Founder's, Fund Advisor's or related party's pledge if the requirements set forth in Section 4 of Internal Revenue Service Notice 2017-73 are not satisfied.

Grants may not be made to individuals and cannot provide a benefit to the Fund Founder, Fund Advisor or any family member or related parties. Donors and family members may not receive grants, loans, reimbursement of expenses or similar payments from a Donor Advised Fund. Any grant that provides personal benefit risks significant penalties to the donor and the Foundation. Donor Advised Fund grants may not be paid to private, non-operating foundations.

GRANT PAYMENTS

Unless told otherwise, grants are paid from the Grantmaking Account first. If there is no balance in the Grantmaking Account, grants will be paid first from the balance in the Short Term Pool and then the Balanced Pool. Grants will be paid from the Balanced Plus Pool when there are no available funds in either the Short Term Pool or the Balanced Pool. Grants will be paid from the Impact Pool when there are no available funds in the Grantmaking Account, Short Term Pool, Balanced Pool, or Balanced Plus Pool.

INTERNATIONAL GRANTS

Grants to international organizations with a U.S. 501(c)(3) determination are subject to the Foundation's standard due diligence procedure. Grants to international organizations without U.S. 501(c)(3) determination may also be possible after completing an equivalency determination (ED) process through the Boston Foundation or a third-party agency for additional fees. Further, grants may be made to international organizations without ED based upon the application of expenditure

responsibility (ER) for additional fees. Contact Donor Services at (617)338-2213 for more information.

INVESTMENTS

The Boston Foundation offers four investment pools to donors: Balanced Plus Pool, Balanced Pool, Short Term Pool, and Impact Pool. Fund Founders elect an investment allocation at the time they establish the fund. Fund Founders and Advisors may request to change the investment allocation in writing at any time, subject to the approval of the Foundation. The Boston Foundation will consider a balance reallocation request no more than once per quarter and reserves the right to manage the timing of any activity in a fund. For a copy of the *Investment Policy Statement* or the summary of Investment Accounting Policies and Procedures, please contact Donor Services.

INVESTMENT RETURNS

Investment returns are allocated pro-rata to funds on a monthly basis. Due to the inflows and outflows within each fund, the returns are allocated using the average of the daily balances. Please see the summary of Investment Accounting Policies and Procedures that is available upon request.

INACTIVE FUNDS

The Boston Foundation seeks to ensure that all DAFs are actively distributing funds on a regular basis or plan to do so. Should a fund with a balance of more than \$10,000 not make any grants after two fiscal years, the Boston Foundation will contact the Fund Advisors to discuss their intentions for the fund. The fund advisors of any Donor Advised Fund that has not made a grant in any three-year period will be notified of this deficiency in writing and will be asked to choose from one of the following actions:

1. Recommend a grant from the Donor Advised Fund to an eligible nonprofit organization (our staff can assist you in finding a project to support);
2. Identify a plan for the fund that necessitates a delay in grant making (i.e., a specific charitable project) with an estimated restart date;
3. Grant out the balance of the fund.

The Fund Advisor(s) will be given ninety days from the date of notice from the Boston Foundation to undertake one of these actions. If no response is received after ninety days, the Boston Foundation will distribute a grant to the Boston Foundation equal to the Foundation's Spending Policy based upon the Donor Advised Fund's value to the Boston Foundation as of the most recent quarter ended. Unless otherwise directed by the President or the President's designee, these grants will be used to augment the Foundation's annual discretionary grants budget. Such grants will continue for a total of five years, at which point the fund will be considered terminated and (all assets will be) transferred to the Permanent Fund for Boston.

LOW BALANCE FUNDS

The Foundation periodically reviews funds with balances under the Foundation's \$10,000 minimum, and will contact the Fund Founder or Advisor(s) to offer assistance, including the option to make additional contributions to the fund to bring the fund above the minimum or to grant out the fund balance and close the fund. Should an unrestricted fund, with a balance below the Foundation's \$10,000 minimum, become inactive for two fiscal years, neither receiving additional contributions nor making any grants, Fund Advisors will be notified with 90 days advance notice that the fund may be

terminated and the balance moved to the Permanent Fund for Boston.

MAKING GRANT RECOMMENDATIONS

Grants of \$250 or more may be recommended to a qualified 501(c)(3) public charity or private operating foundation in the United States. Grant recommendations are generally processed within seven business days of receipt, provided that the Foundation has received, or has in its files, all necessary documentation from the grantee organization to demonstrate its charitable status. Large grants over \$500,000 may take longer to process due to liquidity limitations. The Foundation will contact the advisor if there is a delay in processing the grant request. Grants will be designated for general operating support unless otherwise noted by the Fund Advisor. Grant recommendations can be submitted online through the donor portal. An unlimited number of grant suggestions can be made, and the donor portal provides access to a list of previously approved grants to facilitate grant resubmissions. Alternatively, Fund Advisors may fax or mail a Grant Suggestion Form to the Foundation or email their relationship manager.

PERMANENT FUNDS

Fund Founders may request to make their Donor Advised Fund permanently endowed by limiting the amount available for grant distributions to the Foundation's Spending Policy. Fund Advisors must make this request in writing. Once permanent, successor Fund Advisors may not change the distribution arrangement.

PERMANENT FUND FOR BOSTON

At the heart of everything the Boston Foundation has done over the last century is its discretionary endowment, the Permanent Fund for Boston. Established through bequests left by hundreds of visionary and forward-thinking Bostonians since 1917, this essential fund fuels all of the Foundation's work and provides the resources that have sparked positive change and enabled new ideas. No one knows what the challenges of the next century will be, but we do know that the Boston Foundation will be there, and that its work will be supported by the Permanent Fund for Boston.

PRIVACY POLICY

The Boston Foundation deeply values its relationship of trust with its donors and Fund Advisors. The Foundation's Confidentiality Policy governs the maintenance of personal data and provides that the Foundation will not sell, trade or exchange information about its donors or Fund Advisors, and will honor the wishes of those who prefer to remain anonymous in all communications materials. The full policy is available at www.tbf.org/who-we-are/policies-legal.

SPENDING POLICY

The Boston Foundation utilizes a Spending Policy to determine the amount available for annual grantmaking from its endowed Permanent Fund for Boston, Field of Interest and Endowed Designated funds. Donor Advised Funds are not generally required to adhere to the Foundation's Spending Policy, but a donor may elect for their funds to be subject to it. Call Donor Services at 617-338-2213 for the current rate and information on how the Spending Policy is calculated.

SUCCESSION PLANS

We welcome the opportunity to work with Fund Advisors to find the best fit for the succession of their Donor Advised Fund. Many of our donors have requested that their fund revert to the Boston Foundation's discretionary endowment, The Permanent Fund for Boston, upon their death. Other options include: requesting a succession plan to continue as a Donor Advised Fund and naming a Successor Advisor, or converting to a Designated Fund or a Field of Interest Fund. If there are no succession plans on file upon the death of the Fund Founder(s) or named Fund Advisor(s), such funds will be added to the Permanent Fund for Boston.

TAX IMPLICATIONS

The Boston Foundation is a public charity under Sections 501(c)(3) and 170(b)(1)(a) of the Internal Revenue Code. All contributions made to the Boston Foundation receive the maximum charitable deduction as permitted under state and federal law. Each gift to the Boston Foundation in excess of the IRS minimum is eligible to receive a receipt confirming a description of and the date of the gift for the donor's tax records.

Note: The Boston Foundation is not a licensed tax advisor. Donors should work with their financial, tax or legal professional to determine the best charitable giving strategy for their needs.

VARIANCE POWER

All contributions to the Boston Foundation are subject to the Boston Foundation's variance power, as stated in Article 4.7 of its Articles of Organization, which gives the Board of Directors of the Boston Foundation the right to redirect the use of any fund under certain conditions to better meet the changing needs of the community.

ABOUT THE BOSTON FOUNDATION

The Boston Foundation, Greater Boston's community foundation, is one of the oldest and largest community foundations in the nation. The Foundation is made up of hundreds of separate charitable funds established by donors either for the general benefit of the community or for special purposes. The Boston Foundation serves as a major grantmaker, civic leader, provider of information, convener, and sponsor of special initiatives designed to address the community's and region's most pressing challenges.

For more about the Foundation, visit www.tbf.org

or call 617.338.1700.

