

**Ohio District Kiwanis Foundation, Inc.**

**KIWANIS CLUB ADVISED FUND AGREEMENT**

THIS OHIO KIWANIS CLUB ADVISED FUND AGREEMENT (the "Agreement") is made as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, between the \_\_\_\_\_ Kiwanis Club (the "Club") established under the corporation law of the State of Ohio, with its principal office located at \_\_\_\_\_ and the OHIO DISTRICT KIWANIS FOUNDATION ("Foundation"), a corporation organized under the nonprofit corporation law of the State of Ohio, with its principal office located at P.O. Box 668, Circleville, Ohio 43113.

WHEREAS, the Club is recognized as a community service organization within the Ohio District of Kiwanis International; and

WHEREAS, the Club desires to create a Club Advised Fund into which persons or corporations may make contributions from time to time for the support of projects of the Club, the Ohio District of Kiwanis, and Kiwanis International; and

WHEREAS, the Foundation is willing to accept such contributions and to hold and administer the Club Advised Fund in accordance with the terms of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. Establishment of Fund. A fund shall be established on the books of the Foundation which shall be known as the \_\_\_\_\_ Kiwanis Club Advised Fund (the "Fund"). The Foundation acknowledges receipt of \$ \_\_\_\_\_ in assets made a part hereof as the initial principal investment for the Fund. This principal amount shall remain within the Foundation and become part of the Foundation's investment portfolio.
2. Contributions to the Fund. The Fund shall receive and accept contributions from the Club, or individual donations made for the benefit of the Fund, for inclusion in the Fund. Donations in any amount will be accepted, however, the preferred amount for each Club deposit is a minimum of \$1000. The Fund shall be a component fund of the Foundation held by it in its corporate capacity and shall not be deemed a trust fund held by it in a trustee capacity. The Foundation shall have the ultimate authority and control over all moneys in the Fund, and the income derived therefrom, in accordance with the terms of this Agreement and the Articles of Incorporation, Bylaws, and Policies of the Foundation as they may be amended from time to time.
3. Use of the Fund. All income and principal of the Fund shall be used to support the mission and purpose of Club, the Ohio District of Kiwanis, and Kiwanis International.
4. Fund Advisors. The advisors of the Fund shall be the Club's Directors. Annually, the Club's Directors shall designate two persons as signatories who shall be authorized to make disbursement requests and to contact the Foundation for other purposes. The Club may request distributions from its Fund which requests shall be subject to Foundation's approval.

5. Distributions. Distributions of principal and/or income shall be made only to qualified charitable tax exempt organizations or to the Club. Requests for distribution shall be made in writing or can be sent via email to the ODKF Treasurer in accordance with Foundation's procedures. Funds shall be distributed as soon as reasonably possible. There is a minimum of \$250 required for distribution.

6. Replenishment of Fund. In the event the principal balance of the Fund falls below \$5000, the Club shall, within a designated and mutually agreed upon timeframe, cause additional deposits to be made into the Fund to restore the Fund balance to \$5000. If market conditions reduce the principal balance below the minimum account value of \$5,000, the club will not be required to maintain the required \$5,000 minimum balance.

7. Return on Assets. The Foundation shall invest the assets of the Fund in a manner consistent with sound and prudent investment practices, and in such a way as to produce a reasonable total annual return. The Fund will become a part of the Foundation's investment portfolio and may be commingled with other Foundation funds for investment purposes; provided, however, that the Foundation shall maintain on its books a separate account showing the Fund's proportionate share of any gains, losses, income and expenses of any such common investment fund of the Foundation. Club acknowledges that the Foundation's investment policies involve risk of loss to the Fund.

8. Statements. The Foundation shall provide statements to the Club of Fund income, expenditures, fees, undistributed income, and principal on a quarterly basis.

9. Required meetings. The Club agrees to send a representative of the Club to a Foundation Club Advised Fund meeting at the Ohio District Kiwanis Mid-Year Education Day and the Ohio District Kiwanis annual convention.

10. Fees. The Foundation shall charge the Fund an annual management and administration fee of 1% of the Fund portfolio if assets are below \$100,000 or .75% of the Fund portfolio if assets are \$100,000 or above. This fee will be subtracted from the assets of the Fund on a quarterly basis. This fee may be adjusted by the Foundation on the anniversary of the Fund establishment with a 30 day notification to the Club. Investment fees will be charged to the Fund on a quarterly basis by the Investment Management Adviser.

11. Termination. This agreement may be terminated by either party upon 30 days written notice. Upon termination, all assets of the Fund will be distributed to a qualified charitable tax exempt organization or the Club on approval by the Foundation.

12. Club Dissolution. In the event that Club is no longer chartered in the Ohio District of Kiwanis International, all assets of the Fund will become property of the Foundation.

13. Definitions. As used in this Agreement:

(a) "Qualified charitable tax exempt organization" means an organization described in S 501(c)(3) and which is other than a private foundation under S 509(a) of the Internal Revenue Code.

(b) References to any provision of the "Internal Revenue Code" shall be deemed references to the U.S. Internal Revenue Code of 1986 as the same may be amended from time to time and the corresponding provision of any future U.S. Internal Revenue Code.

14. Foundation Status. It is intended that nothing in this Agreement shall affect the status of the Foundation as an entity which is a qualified tax exempt charitable organization. This Agreement shall be interpreted in a manner consistent with the foregoing intention and so as to conform to the requirements of the Internal Revenue Code and any regulations issued pursuant thereto applicable to the intended status of the Foundation.

15. Fiscal Year. For the purposes of this agreement, the fiscal year for the Foundation and the Fund shall be from October 1 to September 30.

IN WITNESS WHEREOF, each party hereto has executed this Agreement by its duly authorized officers effective as of the day and year first above written.

The \_\_\_\_\_ Kiwanis Club

By: \_\_\_\_\_  
President

By: \_\_\_\_\_  
Secretary

Ohio District Kiwanis Foundation

By: \_\_\_\_\_  
President

By: \_\_\_\_\_  
Treasurer

**Authorized Individuals to deposit or withdraw funds:**

Name \_\_\_\_\_ Title \_\_\_\_\_

Name \_\_\_\_\_ Title \_\_\_\_\_

Attach a list of your Club Directors who will oversee and advise the Fund.