



Endowment Scholarship Agreement

With

Ferndale Dollars for Scholars

Purpose: To establish an endowed scholarship program for Donor as outlined in the attached Restrictions to the Endowment.

Agreement: Donor hereby agrees to transfer to Ferndale Dollars for Scholars, the sum of \$ _____ for the purpose of establishing _____ (the "Program") in accordance with the terms and conditions herein contained.

1. Ferndale Dollars for Scholars shall establish initial assets, as well as any future contributions to the Program, as an identifiable endowed scholarship which will be established within the accounting records of Ferndale Dollars for Scholars.
2. The Ferndale Dollars for Scholars shall invest all assets in a prudent manner. Investments shall be made in accordance with policies established by the chapter board of directors.
3. Ferndale Dollars for Scholars shall manage the Program and distribute the annual income of the Program as scholarship(s) substantially in accordance with the Restrictions to the Endowment.
4. Ferndale Dollars for Scholars shall provide an annual report to the "Donor" including income, contributions, distributions, and asset balance of the Program.
5. In the event the Program and stated purpose of the contribution ceases to exist, all funds will be transferred to the Ferndale Dollars for Scholars' general scholarship fund, or to some other similar program of an appropriate nonprofit entity exempt from tax as an organization described in Section 501(c)(3) of the Internal Revenue Code, as solely determined by the chapter in consultation with the Donor. In no event shall any monies of the Program be returned to the Donor.
6. In the event Ferndale Dollars for Scholars ceases operations or otherwise determines that it is unwilling to continue management of the Program, all funds will be distributed to another organization substantially similar in purposes and functions as the Ferndale Dollars for Scholars provided that such newly designated organization is exempt from tax as an organization described in Internal Revenue Code Section 501(c)(3) and comparable provisions of state law as solely determined by Ferndale Dollars for Scholars (in consultation with the Donor).
7. The investment and management of the assets of the Program will not violate any of the provisions of Ferndale Dollars for Scholars' governing instruments or any contract or other agreement with any third party.
8. The representations, warranties, covenants, and other information provided by the Ferndale Dollars for Scholars to the Donor herein do not either omit a material fact or contain any statement which is false or misleading in any material respect.

9. This agreement may not be assigned or transferred by Ferndale Dollars for Scholars.
10. All notices, requests, or other communications which may be or are required to be given by either the Ferndale Dollars for Scholars or the Donor to the other hereunder shall be in writing and shall be deemed sufficiently given, made, or delivered on the date the same is sent by United States mail, postage prepaid, addressed to the parties as herein below provided. Receipt of a party of any such communication shall be deemed sufficiently effected on the date actually received by the receiving party. For purposes hereof, each party's mailing address shall be as follows:

Donor: _____

Chapter: Ferndale Dollars for Scholars
P.O. Box 3113
Ferndale, WA 98248

Either party may notify the other of such other address to which such notices, requests, or other communications shall be sent.

(Date)

(Donor)

(Date)

(Chapter President)

Restrictions to the Program Endowment

It is agreed the interest earned on the principal of the _____ (Program) endowment shall be used for the following purposes:

- EXAMPLE: Scholarships appropriate in amount and purpose as determined by the (chapter).
- EXAMPLE: Twenty-five percent (25%) of annual earnings shall be invested in the principal of the endowment

1. _____

2. _____

3. _____

4. _____

5. _____

6. _____

7. _____

8. _____

9. _____

10. _____

These restrictions shall remain in effect until Ferndale Dollars for Scholars, in consultation with the Donor, determines specific changes are necessary.