## FIELD OF INTEREST FUND OF

## **EAST TEXAS COMMUNITIES FOUNDATION**

1.	<b>Agreement</b> - This agreement is made on this date ofbetween
	(the "Donor") and East Texas Communities
	Foundation, a Texas nonprofit corporation (the "Foundation").
2.	<b>Fund Name</b> - The Donor hereby contributes the assets listed in Addendum I to the Foundation to establish a Field of Interest Fund to be known as the Field of Interest Fund (the "Fund").
3.	<b>Purpose</b> - The purpose of the Fund (the "Purpose") shall be to support public charities as defined in Section $170(b)(1)(A)$ of the Internal Revenue Code which support (describe charitable work)
	in (geographic location) The Foundation shall ensure that all grants from the Fund fall within the Purpose of the Fund.
4.	<b>Ownership and Administration</b> - This contribution is irrevocable and the Foundation shall be the sole and exclusive owner of the Fund. The Fund shall be administered in accordance with the Foundation's Articles of Incorporation, Bylaws and Policy for Field of Interest Funds, as amended from time to time, copies of which shall be provided to the Donor upon request.
5.	<b>Variance Power</b> - In accordance with IRS regulations and the Bylaws of the Foundation, the Board of Directors shall have the power to modify any restriction or condition imposed by a donor on the investment or distribution of assets if, in the sole judgment of the Board of Directors, such restriction or condition becomes illegal, unnecessary, uneconomical, impossible to perform, or inconsistent with the charitable needs of the community or area served, and such modification would more effectively serve the charitable purposes of the Foundation taking into consideration the wishes of the Donor.
6.	<b>Distributions</b> - Distributions from the Fund shall be made from: (select one) income only, or both income and principal. Distributions shall be made only to public charities as defined in Section 170(b)(1)(A) of the Internal Revenue Code (i.e., churches, schools, hospitals, government entities, and publicly supported 501(c)(3) organizations). The Foundation defines income as 5% of the value of the advised fund as of the immediately preceding December 31. If the "income only" method is used, any portion of the amount available for distribution that is not distributed in one year may be distributed in a subsequent year. If the Donor does not specify an annual distribution method, the Foundation will distribute up to 5% of the value of the fund as of the immediately preceding December 31.
7.	<b>Recommendations</b> - The initial Grants Recommendation Committee (the "Committee") members are listed on Addendum II. The Committee shall make grant recommendations to the Foundation, in writing and signed by a majority of the members of the Committee, regarding distributions to fulfill the purpose of the Fund. Recommendations are advisory only, and the Foundation shall not be bound by such recommendations.

8. **Pledges and Benefits** - No distribution from the Fund shall be made to satisfy a written pledge or legal obligation of the Donor(s), the Committee, or any other person, and neither the Donor(s), the Committee, nor any other person may receive any benefit or privilege (such as gifts or tickets

to events) in return for a distribution from the Fund.

9. **Remainder** - If the Foundation ceases to exist with no successor, or if the Foundation ceases to qualify as a public charity as defined in Section 170(b)(1)(A) of the Internal Revenue Code, and such condition is not cured within 30 days, then the assets of the Fund shall be transferred to one or more nonprofit organizations to be used in keeping with the purpose of the Fund.

<u>Donor</u> :	East Texas Communities Foundation:
	Kyle L. Penney, President

FOI Form Revised: August 18, 2011

## ADDENDUM I

FIELD OF INTEREST FUND AGREEMENT			
	Dated	, 200	
		sfer of Assets Investment	
Transfer of Assets			
The Donor transfers the following as Field of I		Texas Communities Foundation to establish the	
Initial Investment			
The Donor(s) recommend that the function Cash Fund  Cash Fund  Money Market Fund  Conservative Fund  Moderate Fund  Moderate Index Fund  Growth Fund.		invested in the (select one):	
If no recommendation is made, asse	ts will be investe	ed in the Moderate Fund.	
Donor:		East Texas Communities Foundation:	
		Kyle L. Penney, President	
Date		Date	

## **ADDENDUM II**

	FIELD OF INTEREST FUND AGREEMENT
	Dated, 200
]	Recommendation of Grant Recommendation Committee Members
_	g individuals are recommended to serve as Grant Recommendation Committee the Field of Interest Fund:
1.	
2.	
3.	