GREATER HORIZONS℠

# DONOR-ADVISED FUND AGREEMENT

SAMPLE

Thank you for setting up a donor-advised fund. Your fund will be administered by Greater Horizons, a 501(c)(3) public charity.

**Please complete the following form and return to info@greaterhorizons.org or fax to 816.842.8079.**

## What do you need to know for this form?

1. A name for your Fund.
2. Names and contact information for **Fund Advisors**: typically yourself and possibly your spouse or partner.
3. Names and contact information for **Successor Advisors** who will make recommendations for the Fund after the Advisor(s) pass: typically younger generations, children, grandchildren or friends.
4. How you want to invest your Fund's assets.
5. Name and contact information for your financial advisor, if applicable.
6. Names and emails of any additional individuals who can access Fund information and activity.
7. How much you plan to contribute to your Fund.
8. Who referred you to Greater Horizons.

# GREATER HORIZONS DONOR-ADVISED FUND AGREEMENT

## 1 Fund Name

Name your Fund. You can include your name or remain anonymous.
Examples: *James Family Foundation, Acts of Kindness Fund*

Name of Fund

## 2 Fund Advisor(s)

Fund Advisors make recommendations for all Fund-related matters, including grants and investments. Fund Advisors have online access to view fund statements and recommend grants. List additional Fund Advisors in Section 9.

First Name | Middle Name or Initial | Last Name | Suffix

Preferred Name or Nickname *(if different than first name)* | Date of Birth

Address ☐ Home ☐ Work | City | State | Zip Code

Phone ☐ Home ☐ Work ☐ Cell | Email Address

First Name | Middle Name or Initial | Last Name | Suffix

Preferred Name or Nickname *(if different than first name)* | Date of Birth

Address ☐ Home ☐ Work | City | State | Zip Code

Phone ☐ Home ☐ Work ☐ Cell | Email Address

SAMPLE

## 3 Successor Advisor(s)

Successor Advisors make grant and investment recommendations for the Fund after the Fund Advisors are no longer able or willing to do so. You may list as many or as few Successor Advisors as you like. List additional Successor Advisors in Section 9.

☐ Check here if you do not want to name a Successor Advisor. We will contact you regarding your charitable intent for the Fund.

Please indicate how you would like these individuals to act when making recommendations for the Fund in the future. Select <u>one</u>:

☐ Independently ☐ By Majority

First Name | Middle Name or Initial | Last Name | Suffix

Preferred Name or Nickname *(if different than first name)* | Date of Birth

Address ☐ Home ☐ Work | City | State | Zip Code

Phone ☐ Home ☐ Work ☐ Cell | Email Address

Relationship to Fund Advisor(s)

First Name | Middle Name or Initial | Last Name | Suffix

Preferred Name or Nickname *(if different than first name)* | Date of Birth

Address ☐ Home ☐ Work | City | State | Zip Code

Phone ☐ Home ☐ Work ☐ Cell | Email Address

Relationship to Fund Advisor(s)

SAMPLE

First Name | Middle Name or Initial | Last Name | Suffix

Preferred Name or Nickname *(if different than first name)* | Date of Birth

Address ☐ Home ☐ Work | City | State | Zip Code

Phone ☐ Home ☐ Work ☐ Cell | Email Address

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Preferred Name or Nickname *(if different than first name)* | Date of Birth

Address ☐ Home ☐ Work | City | State | Zip Code

Phone ☐ Home ☐ Work ☐ Cell | Email Address

Relationship to Fund Advisor(s)

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## 4 Investment Recommendation

Please select one of the following three options for your Fund's investments.

- **Option 1:** Financial Advisor Managed Account
- **Option 2:** Greater Horizons' Investment Pools
- **Option 3:** Greater Horizons' Investment Pools with an emphasis on environmental, social and governance (ESG) factors

☐ **Option 1: The assets in the Fund will be invested separately in a Financial Advisor Managed Account on your financial advisor's platform. Your financial advisor will make investment selections for your Fund on your behalf.** You will provide your financial advisor's information in Section 5.

**This option is available for funds with assets of $100,000 or more.**

How much do you plan to contribute to your Fund in the next year? $ _____
Estimated Contribution

☐ **Option 2: The assets in the Fund will be invested in Greater Horizons' Investment Pools.**

**Select one mix from the options listed below, or create your own mix.**

**MORE RISK**
Long-Term Goals
Lower Spending Rate

**LESS RISK**
Short-Term Goals
Higher Spending Rate

| Investment Pools / Mix Options ▸ | AGGRESSIVE | MODERATELY AGGRESSIVE | MODERATE | CONSERVATIVE | RISK AVERSE | CUSTOM MIX* |
|---|---|---|---|---|---|---|
| Domestic Equity | 52% | 41% | 27% | 14% | 0% | % |
| International Equity | 25% | 19% | 13% | 6% | 0% | % |
| Intermediate-Term Fixed Income | 12% | 21% | 30% | 36% | 0% | % |
| Short-Term Fixed Income | 8% | 14% | 20% | 24% | 0% | % |
| Money Market | 3% | 5% | 10% | 20% | 100% | % |

*Combined total must equal 100%

SAMPLE

☐ **Option 3: The assets in the Fund will be invested in Greater Horizons' Investment Pools with an emphasis on environmental, social and governance (ESG) factors.**

- **If you wish to use a pre-selected investment mix, follow the two steps below.**
- **If you prefer to create your own mix, complete the Custom Mix table with the percentages of each pool you wish to include.**

### Step 1: Select your risk tolerance.

*More Risk: Long-Term Goals, Lower Spending Rate* ⟵ ⟶ *Less Risk: Short-Term Goals, Higher Spending Rate*

| AGGRESSIVE | MODERATELY AGGRESSIVE | MODERATE | CONSERVATIVE |
|---|---|---|---|
| *77% Equity*<br>*20% Fixed Income*<br>*3% Money Market* | *60% Equity*<br>*35% Fixed Income*<br>*5% Money Market* | *40% Equity*<br>*50% Fixed Income*<br>*10% Money Market* | *20% Equity*<br>*60% Fixed Income*<br>*20% Money Market* |
| ☐ | ☐ | ☐ | ☐ |

### Step 2: Choose an ESG option for the equity allocation.

☐ **SOCIAL IMPACT**
The Social Impact Pool invests in organizations that are treating employees and customers fairly and are creating opportunities for the least advantaged. Additionally, the Pool focuses on investment managers from groups that have been traditionally excluded from the asset management industry.

☐ **ENVIRONMENTAL IMPACT**
The Environmental Impact Pool invests in organizations that are best positioned to address and cope with rising climate risks by reducing carbon emissions, conserving resources, and adopting environmental policies.

☐ **BROAD ESG IMPACT**
The Broad ESG Impact Pool invests in organizations that tackle global challenges through commitments to environmental action, diversity and inclusion, and good governance.

*Additional information about the ESG Pools is available at www.greaterhorizons.org/investing.*

### Or, build your own custom mix with ESG Pools.

| Investment Pools | CUSTOM MIX<br>*Combined total must equal 100%* |
|---|---|
| **Social Impact**<br>(70% U.S. Stock / 30% Foreign Stock) | % |
| **Environmental Impact**<br>(70% U.S. Stock / 30% Foreign Stock) | % |
| **Broad ESG Impact**<br>(70% U.S. Stock / 30% Foreign Stock) | % |
| **Domestic Equity**<br>(100% U.S. Stock) | % |
| **International Equity**<br>(100% Foreign Stock: 80% Developed Markets / 20% Emerging Markets) | % |
| **Intermediate-Term Fixed Income** | % |
| **Short-Term Fixed Income** | % |
| **Money Market** | % |

SAMPLE

## 5 Financial Advisor Information

If your financial advisor will be involved with your Fund, provide the following details.

The financial advisor named below will have online access to view your Fund information in Greater Horizons' portal, including balance, contribution and grant history.

- If you selected Option 1 in Section 4, your financial advisor will serve as the Fund's Investment Manager, investing the Fund's assets separately in a Financial Advisor Managed Account.
  *A Fund Advisor, Successor Advisor or family member may not be named as the Fund's Investment Manager.*
  Greater Horizons will set up the investment account with the Investment Manager's firm.

- If you selected Option 2 or 3 in Section 4, your financial advisor will serve as an Authorized Party for the Fund, and may submit a new investment recommendation (i.e., changing the asset allocation of the Fund) on your behalf.

Financial Advisor Name _____ Firm Name _____

Address _____ City _____ State _____ Zip Code _____

Phone _____ Email Address _____

**Communicating Grant Requests**

With your permission, your financial advisor can communicate your grant requests to Greater Horizons.

☐ Check here to give your financial advisor permission to communicate your grant requests.

## 6 Authorized Parties or Additional Investment Team Members

Please list any individuals who can access fund information. These individuals will have online access to view the Fund activity, including balance, contribution and grant history.

Name & Title or Relationship to Fund Advisor(s) _____

Email Address _____

☐ Check here to give this individual permission to communicate your grant requests.

Name & Title or Relationship to Fund Advisor(s) _____

Email Address _____

☐ Check here to give this individual permission to communicate your grant requests.

SAMPLE

## 7 Contribution Information

If you know how you will make your initial contribution, please provide details. If there are other assets you plan to contribute to the Fund, please list in Section 9. You will need to contact your financial advisor or financial institution to initiate transfers to the Fund.

$ _____ Estimated Initial Contribution

_____ Approximate Date of Initial Contribution

☐ **Check**

☐ **Wire or ACH**

Bank Name: _____

☐ **Stocks and Other Securities**

Number of Shares and Symbol(s):

☐ **Private Business Interest or Real Estate:** Please contact info@greaterhorizons.org to discuss the donation process.

☐ **Bequest:** You do not plan to use the Fund during your lifetime. The contribution will be made upon your death.

## 8 Referral Information

☐ Check here if the financial advisor listed in Section 5 guided you in the decision to establish the Fund.

If you were not referred by your financial advisor, please share how you heard about us:

_____

## 9 Additional Information

Please include any additional information you would like us to know.

SAMPLE

## 10 Terms & Required Signature(s)

The Founder(s) establish this Fund with Greater Horizons.

The current Fund Advisor(s) may make recommendations for grants (from income and principal), investments, and other administrative matters unless otherwise noted herein. If two or more are named, any may act alone. Upon the death, resignation or incapacity to serve of the Fund Advisor (or the surviving Fund Advisor if two or more individuals have been named), the Successor Advisor(s) will then advise the Fund. If two or more persons are eligible to be successors, then a recommendation by a majority of such persons shall constitute an effective recommendation for consideration by Greater Horizons unless otherwise noted herein.

If the persons named in this document or after the date of this document are not available to advise and consult with Greater Horizons due to death, resignation or incapacity to serve, Greater Horizons shall use the principal and income from the Fund for charitable purposes.

*For assets in a Financial Advisor Managed Account:* The assets in the Fund will be managed directly by the named Investment Manager on a discretionary basis, until such time that Greater Horizons or the Fund Advisor(s) exercise(s) the option to make a different selection for management of this Fund. The named Investment Manager will manage the assets of this Fund in accordance with the Fund Advisor(s)' charitable objectives and the most current financial policies and standards of Greater Horizons, which can be found at www.greaterhorizons.org/fap-guidelines. Greater Horizons will regularly review the financial performance of this Fund.

*For assets in the Greater Horizons' Investment Pools:* Allocations are rebalanced to targets once a month. In the interim, cash coming into the Fund will be held in the Money Market Pool. The responsibility for managing Greater Horizons' investment program is vested in Greater Horizons' Board of Directors through its Investment Committee. The percentages in the mix options may change from time to time upon Investment Committee review. For additional details regarding investment mixes and pools, refer to www.greaterhorizons.org/investing to view the Investment Performance Summary and the Supplemental Report.

As required by IRS regulations:

a) the investment recommendation is advisory only and Greater Horizons may, at its sole and absolute discretion, follow or decline to follow the recommendation;
b) Greater Horizons may at any time, at its sole and absolute discretion, change the investment of all or any portion of the assets in the Fund;
c) if the investment recommendation is accepted, the investments will be administered in accordance with the financial policies and fiduciary standards of Greater Horizons; and
d) investments are subject to normal market and interest rate fluctuation risks, and any gain or loss generated by the above investments will be credited or charged to the Fund.

Greater Horizons' administrative fee schedule is attached. The fee schedule is subject to modification and may be increased or decreased at the sole discretion of Greater Horizons.

The Donor-Advised Fund Policies are attached; signing below indicates acceptance of these policies. The Donor-Advised Fund Policies are subject to change. Greater Horizons reserves the right to make the final decision regarding distributions from the Fund.

| Founder Signature | Printed Name | Date |
|---|---|---|
| Founder Signature | Printed Name | Date |

Accepted by: _____ _____
*Greater Horizons* Date

SAMPLE

## 11 Donor-Advised Fund Policies

**Contributions to Donor-Advised Funds**
Contributions to donor-advised funds at Greater Horizons are gifts to a public charity and eligible for the maximum tax deduction allowed by law. Greater Horizons accepts gifts of cash, publicly traded securities, private business interests (closely held stock, limited liability company interests, limited partnership interests), and real estate. Contributions are subject to the review and approval by Greater Horizons prior to acceptance and are irrevocable once accepted. Greater Horizons does not provide legal, tax or financial advice, so Greater Horizons encourages donors to consult with their own professional advisors prior to making a contribution.

**Contributions of Non-Cash Assets**
The general policy of Greater Horizons is to sell all contributed property as soon as practical after receipt to minimize market risk. For non-publicly traded securities or other assets for which no readily liquid market exists, Greater Horizons will exercise discretion as to the timing and price of sales. Any costs incurred by Greater Horizons necessary for the disposition of securities and other assets and for the management of such assets prior to disposition will be an expense of the donor-advised fund. Should sufficient liquidity not be available in the donor-advised fund to cover any expenses, taxes or liabilities due as a result of the fund's ownership of a non-cash asset, the donor of such asset(s) agrees to contribute additional liquid assets to the donor-advised fund as necessary to fully and timely cover such obligations.

**Grants from Donor-Advised Funds**
Through a donor-advised fund, Fund Advisors can enjoy supporting any 501(c)(3) public charity in the United States, including governmental, educational and religious institutions. Fund Advisors may suggest grants directly to international organizations for an additional fee that covers the additional due diligence required of international grants. The IRS does not allow Greater Horizons to make distributions to private non-operating foundations, to individuals or to pay fundraising expenses. Rest assured that Greater Horizons will exercise due diligence to make sure grants from donor-advised funds are given to organizations that have met IRS requirements.

Additional information about specific granting guidelines can be found at www.greaterhorizons.org/grant-guidelines.

Because contributions to donor-advised funds are eligible for a charitable tax deduction, grants subsequently made from donor-advised funds are not tax deductible.

**Fund Activity and Fund Statements**
Greater Horizons is responsible for ensuring donor-advised funds are used for charitable grantmaking and do not confer any private benefit on the donor or any other person. Greater Horizons monitors the use of donor-advised funds to ensure their activity leads to charitable distributions. Greater Horizons does not have a minimum amount for grants or maximum frequency of grants. Fund Advisors can suggest grants in any amount and as often as they like. Greater Horizons periodically checks in on donor-advised funds that are not being used to ensure Greater Horizons understands Fund Advisors' plans for their funds. Fund statements showing gift, grant and investment activity for a donor-advised fund are available through the online donor portal.

**Role of a Fund Advisor for Donor-Advised Funds**
Fund Advisors are adult individuals initially designated by the Founder(s). They have online access to fund information and advisory privileges regarding all fund-related matters, except for those that pertain to Founder limitations. Fund Advisors may make recommendations for grants, investments and other donor-advised fund related matters, which include adding or removing Fund Advisors, Authorized Parties and Successor Advisors; changing the fund name or approval requirement for fund-related matters; adding or removing a named charity to receive distributions in the future; or changing the distribution percentages for the named charities. Fund Advisors act independently unless specified otherwise in the fund's agreement or other fund documentation. If majority action is required and only two Fund Advisors are serving, they must act by unanimous consent. Greater Horizons is happy to work with generations of Fund Advisors.

**Role of a Successor Advisor for Donor-Advised Funds**
Successor Advisors are individuals who advise the donor-advised fund when Fund Advisors are no longer willing or able to do so. Successor Advisors do not access fund information and cannot exercise advisory privileges until the fund transitions, and they begin serving in the Fund Advisor role.

**Role of a Founder for Donor-Advised Funds**
A Founder is an individual or entity that establishes a donor-advised fund. Founders have online access to fund information and have the ability to add, modify or remove Founder limitations for the donor-advised fund, such as a spending policy or defined charitable focus for the fund. However, these limitations are uncommon for donor-advised funds. Any Founder limitation must be agreed upon by all living and able Founders and is subject to review and approval by Greater Horizons.

SAMPLE



Source: BA - W1

**Role of an Authorized Party for Donor-Advised Funds**
An Authorized Party is an individual who has online access to fund information but generally has no advisory privileges for the donor-advised fund unless given permission. A Fund Advisor can add or remove an Authorized Party and give them permission to communicate grant requests and/or make investment changes on behalf of the Fund Advisors. An Authorized Party's relationship to a Fund Advisor is typically: a professional advisor (a financial advisor who is not currently managing the assets in the fund, an attorney, an accountant, etc.), an administrative assistant, a family member or friend.

**Role of an Investment Manager for Donor-Advised Funds**
An Investment Manager is an investment professional who manages the investment of assets in a donor-advised fund's Financial Advisor Managed Account. An Investment Manager has online access to fund information but has no advisory privileges, unless given permission to communicate grants on behalf of the Fund Advisors. In accordance with IRS rules, an Investment Manager cannot be (i) a donor to the Fund, (ii) a Fund Advisor, (iii) a Successor Advisor, (iv) a family member of a donor, Fund Advisor or Successor Advisor (defined as that person's spouse, ancestors, children, grandchildren, great-grandchildren, siblings and the spouses of children, grandchildren, great-grandchildren, siblings) and (v) any entity where more than 35% of the entity is owned/controlled by any of these persons.

**Naming a Donor-Advised Fund**
While most funds elect to use their name or a family name followed by "fund," "foundation" or "giving account" when naming their donor-advised fund, you are not required to include an individual's name. Some funds use an inspirational phrase in the fund name instead. The fund name must include a descriptor, like fund or foundation, to clearly show the grant is not coming from a personal account or trust. Fund Advisors can change the name of the fund at any point.

**Investment of a Donor-Advised Fund**
A Fund Advisor (or Authorized Party with permission to change investments on behalf of the Fund Advisors) may recommend that a donor-advised fund be invested separately in a Financial Advisor Managed Account on the Investment Manager's platform or in Greater Horizons' investment pools. If Greater Horizons does not receive an investment recommendation for a fund, assets will be held in Greater Horizons' Money Market Pool.

**Confidentiality and Privacy Policy**
Greater Horizons holds all information concerning funds in strict confidence. Greater Horizons will only release information with the Fund Advisor(s)' permission, or if a government agency or court has the legal authority to request the information. All personal data collected on this form is subject to Greater Horizons' privacy policy, which can be found at www.greaterhorizons.org/privacy-policy.

**Bequests and Beneficiary Designations**
Greater Horizons can carry out donors' charitable goals beyond their lifetimes. To name a donor-advised fund at Greater Horizons as a beneficiary of a will, trust, life insurance policy or retirement plan account, the following language may be helpful in completing estate planning documents or beneficiary designation forms: After describing what the donor wants to leave to their fund (i.e., a percentage of the estate/trust/account or a specific dollar amount), please note that it will pass "to Greater Horizons (EIN 20-0849590) for the following component fund: [name of the fund]."

**Fundraising**
Greater Horizons cannot sponsor or reimburse expenses for any fundraising activities or any other events intended to benefit any donor-advised fund, and will not be responsible for the collection of any amounts from any benefit, ball, banquet, athletic event or third-party online fundraising page. Greater Horizons will only be responsible for the proper disbursement of funds actually received. Any advertising, promotional or other materials must be consistent with this policy.

Additional information about fundraising can be found at www.greaterhorizons.org/fundraising-guidelines.

**Honoring Donor Intent/Variance Power**
Greater Horizons carries out a donor's charitable intent through a donor-advised fund. In rare circumstances, Greater Horizons may determine that the donor's charitable purposes may have become unnecessary, obsolete, incapable of fulfillment, impractical or inconsistent with the community's charitable needs. In that case, Greater Horizons may need to exercise its variance power to change the charitable purpose of the fund. In doing so, Greater Horizons will strive to make distributions that are consistent with the donor's charitable interests.

**Additional Detail on These Policies**
Please see the Procedures for the Establishment and Operation of Funds and relevant sections of the Bylaws of Greater Horizons, available at www.greaterhorizons.org/procedures.

SAMPLE



Source: BA - W1