



ENDOWMENT AGREEMENT

THIS AGREEMENT entered into this _____ day of _____, 20____, between _____, hereinafter sometimes referred to as "DONOR" and MENNONITE BRETHREN FOUNDATION, hereinafter sometimes referred to as "FOUNDATION".

DONOR and FOUNDATION hereby establish the _____ Endowment Fund hereinafter called the "FUND" (originally funded _____). It is understood that Mennonite Brethren Foundation is the owner of all cash or properties placed into this FUND.

All cash or real property placed by DONOR with FOUNDATION and any further contributions shall constitute the capital of the FUND. FOUNDATION agrees that DONOR does have the right to make additional contributions as to increase the capital of the FUND.

Subject to designation of income as herein provided, FOUNDATION shall administer the FUND and shall invest the capital (or any undesignated income therefrom) in accordance with the FOUNDATION standard Endowment Investment Policy Statement, as amended from time to time.

The FUND may be pooled with other investment funds of FOUNDATION for purposes of investment and establishing gross earnings for each fiscal period. Costs of generating the gross earnings of the FUND shall be determined by a fee schedule established from time to time by the FOUNDATION. The fiscal year for the operation of the FUND shall be the fiscal year of FOUNDATION.

The earnings of the FUND shall be distributed as follows: (check one)

____ FOUNDATION shall distribute not less often than annually an appropriate percentage of the fair market value of the FUND to _____

Such percentage shall be the percentage determined from time to time by the Board of Directors of FOUNDATION under its payout policy for endowment funds. In determining such percentage, the Board of Directors of FOUNDATION will consider the expected total return on the investments of the endowment funds of FOUNDATION, the desirability of maintaining the real value of the endowment funds of FOUNDATION, and any and all other factors which it deems relevant in its sole discretion. In no event will such percentage be less than a reasonable rate of return.

____ Other _____

In the event that the designated beneficiary(ies) no longer functions as a qualified 501(c)(3) organization whose mission purpose is consistent with DONOR's Statement of Intent, then the Board of Directors of Mennonite Brethren Foundation is to designate another 501(c)(3) organization as a recipient, taking into consideration the DONOR's intent. DONOR recognizes and acknowledges that this is a request to establish an Endowment fund with FOUNDATION, consistent with charitable gift rules established by the IRS. Nothing contained herein shall be construed to the contrary, and all requests made by DONOR shall be advisory only.

Special Instructions: _____

DONOR (if applicable)

MENNONITE BRETHREN FOUNDATION

President & CEO

(TITLE>Insert here)