



ENDOWMENT APPLICATION AND AGREEMENT

Donor Name: _____ (“Donor” or “you”)

Endowment Fund Name: _____ (“Fund”)

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

____ Not less than annually, Mennonite Brethren Foundation (“MB Foundation”) shall distribute an appropriate percentage of the fair market value of the Fund to _____

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

____ Other: _____

Special Instructions: _____

You have the right to make additional contributions to increase the capital of the Fund. Subject to the distributions of earnings as provided in this Application and Agreement, MB Foundation shall administer and invest the Fund (or any undesignated income from the Fund’s capital) in accordance with MB Foundation’s model Endowment Investment Policy, as amended from time to time, available upon request. The Fund may be pooled with other MB Foundation investment funds 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 MB Foundation’s fee schedule, as amended from time to time, available upon request. The fiscal year for the operation of the Fund shall be the fiscal year of MB Foundation.

In the event that any designated beneficiary no longer qualifies as a tax-exempt organization as described in Internal Revenue Code § 501(c)(3) or MB Foundation’s Board of Directors determines, in its sole discretion, that the designated beneficiary no longer functions as an organization whose mission and purpose is consistent with this Application and Agreement (as may be amended) or Mennonite Brethren values and beliefs, then MB Foundation’s Board of Directors, in its sole discretion, shall designate another qualified organization as a recipient, taking into consideration its understanding of your intent.

By signing below, you agree and acknowledge: (a) that MB Foundation is hereby the owner of all cash and properties placed into the Fund; (b) that this Application and Agreement is a request to establish an endowment fund with MB Foundation, consistent with charitable gift rules established by the Internal Revenue Service, that nothing contained in this Application and Agreement shall be construed to the contrary, and that all requests made by Donor shall be advisory only; (c) that all matters arising out of or relating to this Application and Agreement shall be governed by and construed in accordance with the laws of the State of Kansas without giving effect to any choice or conflict of law provision or rule; and (d) that this Application and Agreement constitutes a valid and binding agreement between the Donor and MB Foundation upon MB Foundation’s notification to you of its acceptance of this Application and Agreement and of contributions to the Fund. MB Foundation reserves the right to accept or deny, in its sole discretion, any application for the establishment of an endowment fund, and will promptly return any attempted contribution accompanying a denied Application and Agreement. If MB Foundation accepts this Application and Agreement and contribution to the Fund, the date of MB Foundation’s acceptance constitutes the date the Fund named above is established.

SIGNATURES

Signature _____ Date _____ Signature _____ Date _____

Print Name _____ Print Name _____