

**AGREEMENT ESTABLISHING THE
SAMPLE SCHOLARSHIP FUND**

THIS AGREEMENT (the "Agreement") is made and entered into this 15th day of August, 2013, between **NAME OF THE DONOR** ("Donor"), and **The COMMUNITY FOUNDATION OF SOUTH GEORGIA, INC.** ("Foundation"), a corporation organized under the nonprofit corporation law of the State of Georgia with its principal office located at 135 North Broad Street, Thomasville, Georgia:

WITNESSETH:

WHEREAS, the parties to this Agreement have a common interest in the welfare of South Georgia and in serving charitable and educational purposes for the benefit of South Georgia;

WHEREAS, Foundation is a qualified charitable organization (as defined herein); and

WHEREAS, Foundation has been established with a principal purpose to receive and administer funds as endowments for various charitable and educational purposes and organizations in South Georgia; various interested persons and in particular the Donor has expressed a desire to establish a fund in the Foundation in the nature of endowment to provide for the purposes set forth herein;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. Establishment of Fund. A fund shall be established on the books of Foundation which shall be known as the _____ **SCHOLARSHIP FUND** ("Fund").

2. Property of the Fund. The Fund shall include the property received herewith, such property as may from time to time be transferred to Foundation by the Donor for

inclusion in the Fund, such property as may from time to time be transferred from any other source for inclusion in the Fund and accepted by Foundation, and all undistributed income from the foregoing property. The Fund shall be the property of Foundation held by it in its corporate capacity and shall not be deemed a trust fund held by it in a trustee capacity. Foundation shall have the ultimate authority and control over all property in the Fund, and the income derived therefrom, in accordance with the Articles of Incorporation and Bylaws of Foundation (as they may be amended from time to time), and the terms of this Agreement applied in a manner not inconsistent with said Articles and Bylaws.

3. Designation of Purposes. Then purpose of the Fund shall be to award annual scholarship grants according to the following guidelines:

4. Distributions.

(a) To be eligible the recipient must: be a graduate from a _____ County High School located in Sample, Georgia, and have enrolled in or plans to enroll in a post-secondary college or university in the United States, and have attained at least a 2.5 GPA in High School;

(b) Having met the criteria set forth above, the annual scholarship grants shall be awarded based on the following considerations: financial need, academic achievement, extracurricular school activities or employment, community service, personal integrity, and character. Written recommendations from teachers, pastors, counselors, coaches, etc. will be accepted by the Scholarship Advisory Committee.

(c) *One or more awards may be made each year. The award(s) need not be made in advance in a lump sum amount, but may be made in installments on a periodic basis. Expenses, which are covered, shall include tuition, books, room and board, and other such related educational expenses.*

(d) *A Scholarship Advisory Committee (“Committee”) consisting of at least three (3) and no more than five (5) individuals shall by majority approval, recommend and advise the Foundation concerning the selection of the award recipient(s) and the amount(s). The original Committee shall consist of John Doe, Jane Doe, Family Friend #1, Family Friend #2, and Family Friend #3. Replacements for any vacancies that occur on the Committee shall be selected by majority approval of the members of the Committee remaining at the time such vacancies occur. If any member of the Committee shall have son, daughter, grandchild, niece, nephew, brother, sister or stepson, stepdaughter, etc. or is the legal guardian of any applicant for the scholarship award, said Committee member shall be removed from the Committee during such year.*

5. Variance.

(a) The parties acknowledge that Treasury Regs. 1.170A-9(e)(11)(v)(B) requires a variance power to be set forth in the Foundation's governing instrument, the instrument of transfer, the resolutions or bylaws of the governing body, written agreement or otherwise so as to empower the Foundation's Governing Body to vary the terms of a designated gift in order to make sure that property left with it for charitable or educational uses will continue to be maintained to meet current charitable or educational needs of the community rather than purposes of a donor that have become outmoded.

(b) If Foundation ceases to be a qualified charitable organization, or if Foundation proposes to dissolve, the assets of the Fund shall, after payment or making provision for payment of any liabilities properly chargeable to the Fund, be distributed in such manner and to such organization or organizations in South Georgia as satisfies the requirements of qualified charitable organization at the time and serves purposes similar to those of the Donor.

6. Definitions and Construction.

(a) As used in this Agreement

(1) "Qualified charitable organization" means an organization described in 501(c)(3) and which is other than private foundation under 509(a) of the Internal Revenue Code.

(2) References to any provision of the Internal Revenue Code shall be deemed to refer to the U.S. Internal Revenue Code of 1986, as the same may be amended from time-to-time and the corresponding provision of any future U.S. Internal Revenue Code.

(b) It is intended that the Fund shall be a component part of Foundation and that nothing in this Agreement shall affect the status of Foundation as an entity which is a qualified charitable organization. This Agreement shall be interpreted in a manner consistent with the foregoing intention and so as to conform to the requirements of the Internal Revenue Code and any regulations issued pursuant thereto applicable to the intended status of Foundation.

IN WITNESS WHEREOF, each party hereto has executed this Agreement by its duly authorized officers effective as of the day and year first above written.

BY: _____

Donor

BY: _____

Community Foundation of South Georgia, Inc.

BY: _____

Community Foundation of South Georgia, Inc.

BY: _____

Donor

TITLE: _____

TITLE: _____