

DONOR DESIGNATED GIFT
(Permanent Scholarship Endowment)

THE STATE OF TEXAS

COUNTY OF HOWARD

This agreement is entered into by and between BIG SPRING AREA COMMUNITY FOUNDATION, INC., a Texas nonprofit corporation having its principal place of business in Howard County, Texas hereinafter called "**the Foundation**" and _____, residents of Howard County, Texas, herein called "**Donor(s)**".

1.

The Donors hereby give, assign, transfer and convey to the Foundation the property listed on Exhibit A attached hereto, as an irrevocable gift from the Donors to the Foundation. The property listed on Exhibit A and any future additions thereto, shall be known as the _____ **Scholarship Fund** (hereinafter called "**the Fund**").

2.

The Articles of Incorporation and By-laws of the Foundation, as amended from time to time, are incorporated herein by reference and made a part hereof. Together they constitute the governing instruments of the Foundation and reference to that term shall be deemed to refer to both documents. The Donors hereby agree that the Fund will be administered by the Foundation subject to its governing instruments.

3.

From time to time the Donors or other contributors may make additional gifts to or for the use of the Fund. Such gifts will be held and administered as part of the Fund in accordance with this Agreement.

4.

The assets of the Fund shall be held and administered by the Foundation, acting by and through its duly authorized Board of Trustees, officers, and agents. Assets of the Fund may be kept separate from other Foundation assets, or alternatively, may be commingled with other Foundation assets. However, the Foundation shall at all times keep accurate records reflecting the Fund assets, both as to principal and income. The assets of the Fund may be invested and reinvested from time to time in any securities, obligations or other property of any kind that the Foundation may deem advisable, including, but not limited to, interest bearing accounts, certificates of deposit, and common trust funds administered by the Foundation.

5.

It is the Donors' intent that the Fund shall be perpetual in nature and only the net earnings attributable to the Fund, if any, shall be available for distribution from time to time. Such net earnings, if any, shall be used to provide scholarship grants. Scholarship recipients and the amount of scholarship grants shall be determined by the method and criteria described in the attached Exhibit B. "Net earnings" shall be determined in accordance with the distribution rate approved by the Trustees of the Foundation from time to time. All of the net earnings attributable to the Fund need not be distributed each year, but may be accumulated for distribution in subsequent years, in the sole and absolute discretion of the Foundation. Each scholarship granted hereunder shall be known as a "_____ Scholarship".

6.

Should it ever become unreasonable or impossible to abide by the method and criteria described in Exhibit B, the Foundation shall establish a new method and criteria for determining the recipients and amounts of scholarship grants. The Foundation may consider the original method and criteria in making such future distributions.

7.

The Fund will be assessed fees in accordance with the fee schedule set by the Board of Trustees in existence from time to time. The Foundation may employ attorneys, accountants, financial managers or advisors and such other assistance as the Foundation in its sole and absolute discretion deems necessary. If deemed necessary by the Board of Trustees of the Foundation, the Fund will bear its proportionate share of such services and expenses.

8.

The Donor has agreed to establish this fund with a minimum principle gift of \$10,000, by contributing \$1,000 or more per year over a term of ten (10) years. If, after the expiration of ten years from the date hereof, the principle contributions to the Fund do not equal or exceed \$10,000, the Fund shall terminate and all principle and accrued income, if any, shall be transferred to, and become part of, the discretionary endowment fund of the Foundation.

Executed this ____ day of _____, 200__.

BIG SPRING AREA COMMUNITY FOUNDATION

By: _____,
_____, President

Donor

Donor

SCHEDULE A