

**AMENDED
AGREEMENT
ESTABLISHING
THE JEFFERSON COUNTY COMMUNITY FOUNDATION FUND**

THIS AGREEMENT is made and entered into between The Jefferson County Community Foundation, of Port Townsend, Washington (the "donor") and THE GREATER TACOMA COMMUNITY FOUNDATION, a Washington nonprofit corporation ("The Foundation").

WHEREAS, The Foundation is qualified under Section 501(c)(3) of the Internal Revenue Code of 1986 and is not a private foundation within the meaning of Section 509(a) of the Internal Revenue Code of 1986; and

WHEREAS, The Jefferson County Community Foundation has applied for qualification under Section 501(c)(3) of the Internal Revenue Code of 1986 and classification as other than a private foundation within the meaning of Section 509(a) of the Internal Revenue Code of 1986; and

WHEREAS, The Jefferson County Community Foundation and The Foundation have a common interest in the welfare of the greater Puget Sound community and in promoting philanthropy for the benefit of said community; and

WHEREAS, The Foundation has been established with the principal purpose to receive and administer funds for various charitable and educational purposes and organizations in the Pierce County community, various interested persons have expressed a desire to establish a fund in The Foundation to provide current income and long-term support for the operations and programs of the Jefferson County Community Foundation and the Jefferson County Community Foundation is desirous of having the benefits contained herein, the parties agree as follows:

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

1. Establishment of Fund

A fund is established on the books of The Foundation which shall be known as "The Jefferson County Community Foundation Fund" (The "Fund"). The Fund is established to receive property

to be held for, or distributed directly to the Jefferson County Community Foundation. In those instances where property is donated to be held as an endowment fund, net proceeds will be distributed to the Jefferson County Community Foundation annually.

2. Property of Fund

The Foundation acknowledges receipt of the property listed on Schedule "A", which is attached hereto and made a part hereof as the initial property of the Fund. The Fund shall include the property received herewith, such property as may from time to time be received by The Foundation from any other source for inclusion in the Fund and accepted by The Foundation, and all undistributed income from the foregoing property. There shall be added to this Agreement as contributions to the Fund are received, additional attachments which shall describe the property donated, the special provisions for its disbursement, and the special provisions concerning fees to be charged by The Foundation for administration and administrative and investment costs. The Fund shall be the property of The Foundation, held by it in its corporate capacity, and shall not be deemed a trust fund held by it in a trustee capacity. The Foundation shall have ultimate authority and control over all property in the Fund, and income derived therefrom, in accordance with the Articles of Incorporation and Bylaws of The 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. Administrative and Investment Fees

The property held in The Fund shall be assessed an annual fee for administrative and investment expenses. The amount of such annual fee shall be the amount assessed similar funds held by The Foundation based upon its fee schedule in effect at the time the annual fee assessed.

4. Distributions

Net proceeds from endowment held in the Fund shall be paid and distributed at least annually to the Jefferson County Community Foundation. Property donated for direct distribution shall be distributed according to the terms of the donation. It is recognized that all distributions from the Fund must be in furtherance of The Foundation's charitable purposes, as defined in Section 1.170A-9(e)(11), and that final control over distributions resides with The Foundation through its Board of Directors.

5. Variance

(a) The Foundation agrees that if its governing board proposes to exercise the variance power under Article II, Subsection (d) of the Articles of Incorporation of The Foundation, and Section 7 of Article X of the Bylaws of The Foundation, the exercise of such power shall not be effective earlier than at least thirty (30) days after The Foundation notifies the Jefferson County Community Foundation in writing of (1) its intent to exercise such power; and (2) the manner in which The Foundation proposes to vary the purposes, uses, or method of administration of the Fund. During the notice period, the Jefferson County Community Foundation may advise The Foundation of its views regarding the proposed exercise of the power and take such action as it deems appropriate. If The Foundation becomes aware of any other action instituted or proposed by any person to vary the purposes, uses, or method of administration of the Fund, it will promptly notify the Jefferson County Community Foundation.

(b) If The Foundation ceases to be a qualified charitable organization, or if The 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 to the Jefferson County Community Foundation to be used exclusively for public purposes. If the Jefferson County Community Foundation is not then a qualified charitable organization, said assets shall be distributed in such manner and to such organization or organizations in the greater Jefferson County community as satisfies the requirements of a qualified charitable organization and serves purposes similar to those of the Jefferson County Community Foundation.

6. Continuity

It is intended that the Fund hereby established shall be continued until such time as the Jefferson County Community Foundation is fully established and has accumulated minimum fund assets of \$1 million or more. Anytime thereafter, upon written request, The Greater Tacoma Community Foundation will release assets of Jefferson County Community Foundation for its own management.

7. Financial Reports

The Foundation shall provide a financial status report to Jefferson County Community Foundation at least annually.

8. Definitions and Construction

(a) As used in this Agreement, a "qualified charitable organization" means an organization described in Section 501(c)(3), which is not a private foundation under Section 509(a) of the Internal Revenue Code of 1986.

(b) It is intended that the Fund shall be a component part of The Foundation and that nothing in this Agreement shall affect the status of The Foundation as an entity which is a qualified charitable organization. This Agreement shall be interpreted in a manner which is 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 status of The Foundation as a foundation.

IN WITNESS WHEREOF, the parties have executed this Agreement this _____ day of _____, 200__.

THE GREATER TACOMA COMMUNITY FOUNDATION

By: _____
Rose Lincoln, President

By: _____
Jefferson County Community Foundation