

**AGREEMENT ESTABLISHING**  
**THE \_\_\_\_\_ FUND,**  
**A DONOR ADVISED FUND**  
**WITHIN HEALTHY SMILES, HEALTHY CHILDREN: THE FOUNDATION**  
**OF THE AMERICAN ACADEMY OF PEDIATRIC DENTISTRY®**

**THIS AGREEMENT** is entered into by \_\_\_\_\_ ("the Donor") and Healthy Smiles, Healthy Children: The Foundation of the American Academy of Pediatric Dentistry, Inc. ("the Foundation"), on this \_\_\_\_ day of \_\_\_\_\_, year 20\_\_\_\_\_.

1. The agreement establishes a Donor Advised Fund, to be known as the \_\_\_\_\_ Fund (the "Fund"), within the Foundation and is viewed as an opportunity to build a philanthropic partnership between the Foundation and the Donor. While the Foundation must and does retain sole and absolute discretion over distributions from the Fund, it is understood that the Foundation intends to actively seek the advice of the Donor with regard to grants, distributions and beneficiaries of the Fund.
2. The Donor may request that a portion or all of the Fund's net income be reinvested in the Fund, and that distributions from principal be made from the Fund. Distributions from the Fund shall be made exclusively for charitable purposes as defined in the Foundation's Articles of Incorporation and Bylaws and Section §501(c)(3) of the Internal Revenue Code.
3. The Foundation shall inform the Donor through the Donor's designated representative with respect to each grant and distribution made from the Fund.

4. The Donor may designate a representative to maintain his or her ongoing relationship with the Foundation and may appoint an Advisory Committee as described in the attached Exhibit A consisting of the Donor, friends, children or other relatives. The Donor may serve as his or her own personal representative. One (1) member of the Advisory Committee shall be designated Chair of the Advisory Committee. Members of the Advisory Committee shall serve until their resignation or death.
  
5. The Donor or the Advisory Committee shall provide the Foundation with a written description of the philanthropic interests and charitable intentions of the Donor as described in the attached Exhibit B. The Foundation shall provide the Advisory Committee with suggestions, information, and specific projects for which distributions from the Fund might be appropriate.
  
6. The Donor hereby transfers irrevocably to the Foundation the cash, real property or other assets described in the attached Exhibit C (minimum value of \$30,000 on the date of execution of this Agreement) together with any property, which may later be transferred to the Foundation. Cash gifts may be added to the Fund at any time by anyone. The Board of Trustees of the Foundation shall have complete discretion to accept or refuse any non-cash gift and shall have complete authority and discretion as to the investment and reinvestment of the assets of the Fund as part of the Foundation's investment portfolio. All grants, bequests and devises to the Fund shall be irrevocable once accepted by the Foundation. The Internal Revenue Service requires that the Foundation's letter of acknowledgment includes language affirming that the Foundation has "exclusive legal control over the assets contributed."
  
7. The Foundation shall hold, manage, invest, and reinvest the assets of the Fund which may be commingled with the assets of other component funds within the Foundation; provided, however, that the separate identity of the Fund shall be maintained and distributions from the Fund shall be clearly identified as such to the recipients. A separate account

shall be established to annually report the Fund's earnings, distributions, and status at the conclusion of the Foundation's fiscal year.

8. In the event that the Donor wishes to terminate the Fund, the Foundation shall thereafter continue to hold the assets of the Fund in its general unrestricted endowment fund and shall distribute the net income and principal therefrom to such organizations or individuals as the Board of Trustees of the Foundation, in its discretion, shall consider appropriate.
9. It is intended that the Fund continue as long as the need for it exists and as long as assets continue to be held in the Fund for its charitable purposes. If, for any reason, the Foundation dissolves, or ceases to hold or administer the Fund or otherwise to function under this agreement, then the net assets of the Fund shall be distributed to such charitable organizations as the Board of Trustees of the Foundation may select, with primary consideration being given to any advice offered by the Donor and the Advisory Committee.
10. The Fund's assets shall be the property of the Foundation to be held by it in its corporate capacity and shall not be deemed a trust fund held by it in a trustee capacity. It is intended that the Fund shall be a component fund within the Foundation and that nothing in this agreement shall affect the status of the Foundation as an organization described in Sections 509 (a)(1) and 170 (b)(1)(A)(vi) of the Internal Revenue Code. This agreement shall be interpreted in a manner consistent with the foregoing intention so as to conform to any applicable requirements of the Internal Revenue Code and its regulations.
11. It is understood and agreed that all assets held in the Fund shall be subject to the Articles of Incorporation and Bylaws of the Foundation, including the variance power contained therein permitting the Board of Trustees of the Foundation to modify or remove any restriction or condition regarding the distribution of funds if, in its sole judgment, such restriction or condition becomes unnecessary, incapable of fulfillment or inconsistent with the charitable purposes and needs served by the Foundation.

12. The Fund may be terminated by the Board of Trustees of the Foundation and the Fund's assets moved into the general assets of the Foundation upon the death of the last Donor, last member of the Advisory Committee, or personal representative named by the Donor in their lifetime.
  
13. The Fund shall share a fair portion of the total administrative costs of the Foundation. Such administrative costs shall be charged annually against income from the Fund and shall at all times be reasonable and customary. If the Donor prefers not to diminish the Fund by the payment therefrom of the administrative costs, they may instead be paid directly by the Donor to the Foundation.
  
14. The Donor and Fund shall be recognized in appropriate announcements and publications of the Foundation. The Fund shall be recognized separately in the Foundation's Donor Advised Fund category. The Fund and subsequent contributions to it shall not be linked to the Foundation's other donor, pledge, or planned giving categories.
  
15. The signatory for the Foundation certifies that the Foundation's Board of Trustees voted to approve this Agreement in person, or by telephone or e-mail vote on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.
  
16. This Agreement shall be governed by the laws of the State of Illinois and applicable Federal law and regulation.
  
17. This Agreement may be amended at any time by mutual agreement of the Donor and the Foundation.

**IN WITNESS WHEREOF**, the Donor and Foundation have caused this Agreement to be executed by their duly authorized officers or representatives, as of the day and year first written above.

For the Foundation: \_\_\_\_\_  
John S. Rutkauskas, DDS, MBA, CAE, Executive Director  
211 East Chicago Avenue, Chicago, Illinois 60611-2663

By the Donor: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_

This Agreement must include the following three (3) Attachments, each page of which shall be initialed by the signatories to this Agreement:

- Exhibit A: Advisory Committee of the Fund, including addresses.
- Exhibit B: Philanthropic Interests and Charitable Intentions of the Donor.
- Exhibit C: Description of Property (minimum \$30,000 value) irrevocably transferred to the Foundation to begin the Fund.