



_____ CHAPTER ACCOUNT
OF THE
DELTA CHI EDUCATIONAL FOUNDATION

WHEREAS, The Delta Chi Educational Foundation (hereinafter “Foundation”) is a non-stock, not for profit corporation organized under the laws of the State of Iowa, with a principal place of business located at P.O. Box 383, Columbus, IN 47202; and

WHEREAS, The Foundation is an organization recognized as exempt from taxation under section 501(c)(3) of the Internal Revenue Code; and

WHEREAS, The Foundation has as its objects and purposes the establishment of fellowships, scholarship incentives and awards; and

WHEREAS, Alumni of the _____ Chapter of the Delta Chi Fraternity wish to establish a scholarship fund to benefit the Brothers, associate and friends of the _____ Chapter and

WHEREAS, the parties wish to establish the conditions and operating guidelines for the administration of the gift.

NOW, THEREFORE: The parties hereto agree as follows:

1. ESTABLISHMENT OF CHAPTER ACCOUNT

The Foundation agrees to establish an account named the _____ Chapter Scholarship Account (hereinafter “Account”), to be administered as set forth below.

2. GIFT

_____ Alumni have contemporaneously with the execution of this agreement, made a donation to the Foundation to provide the initial funding for the Account. The gift shall be used in its entirety for the exclusive purpose of establishing the Account.

3. ADDITIONAL GIFTS

_____ Alumni and other individuals may make additional donations to the Account.



4. **PURPOSE OF THE ACCOUNT**

The purpose of the Account is to provide for scholarships, academic awards, educational expenses, leadership development, and other programs established by the _____ Scholarship Committee, for undergraduate members of the _____ Chapter.

5. **ACCOUNT TO BE SEGREGATED FOR ACCOUNTING PURPOSES ONLY**

The Account may be a separate account or part of a larger investment portfolio maintained by the Foundation. The Foundation shall maintain accurate books and records to account for the funds in the Account.

6. **ESTABLISHMENT OF A SCHOLARSHIP COMMITTEE**

The Committee shall consist of the Chapter BB, ABT President, and the ABT Scholarship Committee. The Committee shall make recommendations of individuals for these awards to the Board of Directors of the Foundation. All awards shall be subject to the approval of the Foundation.

7. **FEES AND COSTS**

The Account shall be charged all direct expenses related to the awarding of such scholarships along with a reasonable allocable share of general and administrative costs incurred by the Foundation. The Foundation may assess this account an additional administrative fee in accordance with standard practices and policies of the Foundation for similar accounts with similar principal balances as the Foundation may approve.

8. **GRANTS LIMITED**

The Account shall make Grants to the extent of _____% of the net investment income from the previous fiscal year. Net investment income shall be defined as contributions plus (or minus) earned income, minus administrative fees. Should net investment income from the previous fiscal year be less than zero, up to 3% of the previous fiscal year's contributions minus administrative fees will be available for Grants. No Grants can be made if the account would fall below the original minimum of \$10,000.00 balance. The Account will be classified as Temporary Restricted.

9. **INTERNAL REVENUE CODE AND REGULATIONS TO CONTROL**

The parties recognize that the tax-exempt status of the Foundation requires strict compliance with the provisions of the Internal Revenue Code, IRS Regulations and related requirements. It is agreed that at all times, the Account shall be administered in such a manner as to be in complete compliance with such laws and provision. It is



The Delta Chi Educational Foundation

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agreed that if any provision of this Agreement shall conflict with said laws and regulations, as they may be amended from time to time, then the provisions of this Agreement shall be automatically reformed to comply with said laws and regulations.

It is also agreed that the Foundation shall be the administrator of the Account and, as such, shall be responsible for all tax filings and report, and shall approve all appointments to the Committee and all scholarship awards' it being understood that the Committee is advisory in nature.

10. MINIMUM FUNDING

It is agreed that the account shall obtain a minimum of \$10,000.00 within three (3) years of the date of establishment. It is further understood that no investment income shall be credited to the Account until such time as the \$10,000.00 threshold is reached. Further, no disbursement may be made from the Account until said Account has reached \$10,000.00. If the Account does not reach \$10,000.00 in three (3) years the income and principal from this Account shall inure to the benefit of the Foundation for its general use and purposes.

11. INACTIVITY

In the event that the _____ Chapter shall become inactive or shall lose or forfeit its Charter, or in the event awards from this Account are not made for a period of seven (7) years, then the income and principal from this Account shall inure to the benefit of the Foundation for its general uses and purposes.

12. AMENDING THIS AGREEMENT

This Agreement may be amended at any time by two-thirds majority of the _____ Scholarship Committee, subject to a simple majority approval of the Executive Committee of the Delta Chi Educational Foundation.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the day and date set forth below.

THE DELTA CHI EDUCATIONAL FOUNDATION
By: Patrick F. Weber, President

Dated: _____

Alumnus of

Chapter of Delta Chi

Dated: _____