

**E-CHI ACCOUNT AGREEMENT
Educational Chapter Housing Initiative**

**E-CHI ACCOUNT AGREEMENT
BY AND BETWEEN
DELTA CHI EDUCATIONAL FOUNDATION**

AND

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 314 Church Street, Iowa City, Iowa 52244; and

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

WHEREAS, Foundation has as its objects and purposes the funding of the educational components of housing for Fraternity members; and

WHEREAS, Alumni and Members of the _____ Chapter of the Delta Chi Fraternity wish to establish a fund to benefit the Brothers, associates and friends of the _____ Chapter; to provide for funding of the educational component of Chapter housing; and

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

NOW THEREFORE: The parties hereto agree as follows:

1. ESTABLISHMENT OF E-CHI ACCOUNT

Foundation agrees to establish an account named the _____ E-CHI 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 in the minimum amount of \$1,000.00 to provide the initial funding for the _____ E-CHI Account. The gift shall be used in its entirety for the exclusive purpose of establishing the _____ E-CHI Account (hereinafter called “The Account”).

3. **ADDITIONAL GIFTS**

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

4. **PURPOSE OF THE ACCOUNT**

The purpose of the account is to provide for the educational component of Chapter housing 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. **ADMINISTRATION OF THE _____ E-CHI ACCOUNT**

This account is established to provide funding for the educational components for Chapter housing. The Foundation shall accept donations to the _____ E-CHI Account and shall use and administer the donations in accordance with the policies and procedures established by the Foundation within the guidelines set forth by the Internal Revenue Service to provide for housing for the _____ Chapter of the Delta Chi Fraternity. The parties recognize that the Foundation may only make disbursements from the account in accordance with the grant procedures established by the Foundation. All grants shall be exclusively for the educational components of Chapter housing. The Foundation reserves the right to amend and revise the grant procedure to comply with Internal Revenue Service regulations.

7. **FEES AND COSTS**

The Account shall be charged all direct expenses which expenses shall include, but not be limited to, the cost of an independent opinion letter of counsel determining the educational component and all expenses related to the awarding of such grants along with a reasonable allocable share of general and administrative costs incurred by the Foundation. The Delta Chi Educational Foundation may assess this account an additional administrative fee in accordance with the standard practices and polices of the Foundation for similar accounts with similar principal balances as the Foundation may approve.

8. **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 provisions. It is agreed that if any provision of this agreement shall conflict with the 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 reporting, and shall approve all disbursements from the Account.

9. **MINIMUM FUNDING**

It is agreed that the account shall obtain a minimum of \$10,000.00 within 10 years of the date of establishment before any distributions may be made from said account. It is further understood that no interest shall be credited to the account until such time as the \$10,000.00 threshold is reached.

10. **INACTIVITY**

This Account is established for the brothers, associates and friends of the _____ Chapter of the Delta Chi Fraternity. The specific purpose of this Account is to provide a benefit to these individuals by supporting the educational components of Chapter housing. In the event the primary purpose of the account cannot be achieved, either because the account has failed to raise sufficient funds to achieve its purpose or because housing opportunities do not exist for the _____ Chapter, or for some other reason, then, after a

10 year period during which no grants are awarded, and after notice to the _____ Chapter's president, the president of the _____ Chapter's Alumni Association and

_____ Chapter's region, this account shall pay the net income to the Foundation for its general uses and purposes. If after 50 years, during which time no grants are awarded, the entire balance of the account, both income and principal shall pass to the Foundation for its general uses and purposes.

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
Fredrick B. Hammert
Its President

_____ALUMNI

By _____