



DATE

Jane Hetland Stevenson, President
St. Croix Valley Foundation
516 Second Street, Suite 214
Hudson, WI 54016

Dear Ms. Stevenson:

It is our intention to deliver **upon our death \$AMOUNT** as a gift to the St. Croix Valley Foundation. This gift, together with any additional gifts which may be made by us or other donors to the fund hereafter described, shall be used to establish and maintain a component fund (the "Fund") of the St. Croix Valley Foundation, (the "Foundation") to be held and administered as follows:

1. The Fund shall be known as the **NAME of FUND** and shall be identified as such by the Foundation in the course of the administration and distribution thereof.
2. The income of the Fund after deducting the expenses of investing and administering the Fund, shall be distributed for such charitable purposes as the Foundation deems appropriate, consistent with the purposes specified in the Foundation's Articles and Bylaws as they now exist or may be hereafter amended, as the Foundation's Board may determine after taking into consideration any written recommendations from time to time made to the Foundation by the Advisors.
3. **ADVISORS NAMED** shall serve as the initial Advisors to the Fund. We retain the right to name additional Advisors during our lifetimes, and successor Advisors to serve upon our deaths. If there is more than one Advisor, the Advisors shall appoint a chairperson and all communications to and from the Foundation shall be through the chairperson. Such Advisors shall serve in an advisory capacity only, in accordance with the policies established by the Foundation for donor advisor funds from time to time.

It is understood that such recommendations shall be advisory only, will not be binding upon the Foundation, and will not be the sole criteria used by the Foundation in determining whether to make such distributions. Following our lifetimes and the lifetimes of any other advisors, or if no such recommendations have been received by the Foundation at the time of considering distributions, or if the Foundation, in its discretion, determines not to follow any such recommendations, assets of the Fund shall be transferred and **made a part of the _____ Community Fund Affiliate of the Foundation.**

5. Distributions as provided in paragraph 2 shall be made out of income only, it being the intent that the principal of the fund shall be preserved and maintained as an endowment.

6. The Board of Directors of the Foundation shall have sole discretion as to the investment and reinvestment of the assets of the Fund, including the selection of investment managers, and as to the selection of custodians of the assets of the Fund.
7. The Fund shall be administered in accordance with the Minnesota Uniform Prudent Management of Institutional Funds Act, provided that in all events the term "income" as used in this letter shall mean the amount available for distribution from the Fund as determined in accordance with the Foundation's spending policy in effect from time to time.
8. Notwithstanding anything herein contained to the contrary, the Fund shall at all times be held and administered in accordance with the provisions of the Articles and Bylaws, all of which are hereby accepted and agreed to by the undersigned, including those provisions relating to amendment, termination and variance from donors' directions. The undersigned acknowledges that under the provisions of the Articles and Bylaws and applicable tax regulations, the Board of the Foundation has the power and the duty to modify any restriction or condition of the distribution of the funds for any specified charitable purpose if, in the sole judgment of the Foundation's Board (without the approval of any participating trustee, custodian or agent), such restrictions or conditions become, in effect unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the region served by the Foundation.
9. Consistent with its practice adopted from time to time with respect to other funds of the Foundation, the Foundation shall from time to time make a charge to the fund in an amount reasonably calculated to reimburse the Foundation's direct and indirect costs incurred in the administration of the Fund.
10. Assets of the Fund may be commingled for purposes of investment with other assets of the Foundation, provided that the separate identity of the Fund and the distributions from the Fund are at all times maintained.

If the foregoing is acceptable to the Foundation, kindly so indicate by dating and signing the enclosed copy of this letter in the space provided below and return it to us. Upon such acceptance, this letter will constitute our agreement with respect to the Fund and all prior discussions and agreements concerning the Fund are merged herein and are made a part hereof.

Very truly yours,

Signature 1

Signature 2

Accepted this _____ day of _____, _____.
(date) (month) (year)

St. Croix Valley Foundation

By: _____

President

2/9/00 HGraves revision