



**CHAPTER SUPPORT FUND AGREEMENT
WITH RESPECT TO [ZETA-ZETA] ZETA OF LAMBDA CHI ALPHA**

This **Chapter Support Fund Agreement** (the "**Agreement**") is entered into as of **[Date]** by and among the **Lambda Chi Alpha Educational Foundation, Inc.** (the "**Foundation**"), and the party or parties signing below (collectively, the "**Donor**") for the benefit of the members of **[Zeta-Zeta] Zeta** (the "**Zeta**") of the **Lambda Chi Alpha Fraternity** (the "**Fraternity**").

RECITALS

WHEREAS, the Foundation is a public charity founded in 1949, exempt from federal income taxation under Sections 501(c)(3) and 509(a)(1) of the Internal Revenue Code of 1986, as amended (the "**Code**"), and funded by tax-deductible donations from members of the Fraternity and others, with a primary focus on advancing educational programs for undergraduate members of the Fraternity at the local, regional and national level; and

WHEREAS, the Donor desires to make or to facilitate contributions toward a designated Endowment Fund (the "**Endowment Fund**") and/or a designated Non-Endowment Fund (the "**Non-Endowment Fund**") (collectively, the "**Fund**") within the Foundation, both as described below, for the purpose of securing grants from the Fund for charitable and educational purposes, all to the extent permitted under Section 501(c)(3) of the Code;

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

ARTICLE 1

Establishment and Purpose of the Fund

1.1. Distinction between Endowment and Non-Endowment Funds. At the request of the Donor, the Fund may be maintained in one or both of two forms: an Endowment Fund and/or a Non-Endowment Fund. Both Funds are permanent assets of the Foundation, restricted for use by the Zeta. Gifts may be designated to be allocated to either Fund, and either Fund may be used for any of the purposes stated in this Agreement.

- a. An **Endowment Fund** seeks to maintain principal and it provides funding via interest earned on principal. The maximum payout for annual grant requests will be limited to the distribution rate from the Endowment Fund established by the Foundation Board of Directors (the "**Board**") as set forth in the Foundation's Chapter Support Fund Information and Policies (the "**CSF Policies**"), which may be amended from time to time.
- b. A **Non-Endowment Fund** does not seek to maintain principal nor does it pay interest. A Non-Endowment Fund provides funding on a "cash in-cash out" basis, such as for purchase, construction, renovation and/or maintenance of qualified areas of the chapter house occupied by the Zeta (the "**Chapter House**"), such as for desks, bookcases, books, computers, and software in educational areas, and for the construction, renovation, and equipping of educational areas of the Chapter House such as computer room, library, study rooms, high speed capacity Internet wiring, etc.. Non-Endowment Funds may also be used for any purpose for which an Endowment Fund is established.

1.2. Purpose of the Fund. The purpose of the Fund shall be to further the charitable, educational, and other tax-exempt purposes of the Foundation by means of individual and other grants from the Foundation for, among other educational and charitable activities, scholarships, leadership and educational programming, and grants for educational areas and educational equipment in the Chapter House, all for the purpose of improving or developing the members' capabilities through group interaction and individual study, and all to be reserved for and exclusively used for educational and charitable purposes qualifying under the Internal Revenue Service rules or guidelines then in effect.

1.3. Establishment of the Fund. The Donor has solicited or will solicit gifts to the Fund of money or property for the purposes set forth in this Agreement, which gifts will be transferred to the Foundation. Subject to the right of the Foundation to reject any particular gift, the Foundation shall accept these gifts of money or property, all of which gifts and the earnings and appreciation thereon shall be subject to the provisions of this Agreement and the CSF Policies. The Fund shall be managed and maintained by the Foundation in accordance with the terms of this Agreement.

1.4. Gifts to the Fund. All gifts, grants, bequests, and other receipts into this Fund shall be irrevocable once accepted by the Foundation. The Fund represents restricted funds held for the benefit of the members of the Zeta. There are no restrictions on the minimum or maximum size of gifts or the number of gifts.

ARTICLE 2

Grants and Distributions from the Fund

2.1. Grants Generally. Distributions shall be used exclusively for the purposes identified in this Agreement. To the extent the Foundation determines that any proposed use of assets or net income from the Fund would jeopardize the Foundation's exemption under Code Section 501 (c) (3) or be inconsistent with the Foundation's exempt purposes, then, upon notice to the Donor, the Foundation may use the Fund's assets or net income for such other purposes that are consistent with the purposes for which the Foundation was organized and that would not jeopardize its tax-exempt status. The parties intend that the Foundation will consider whether grants can be made for any of the purposes specified in this Agreement before considering alternative spending.

2.2. No Accumulation of Earnings. The earnings from an Endowment Fund are not intended to accumulate. Accordingly, if there are no qualified applications for grants from an Endowment Fund for four consecutive years for any reason, the Donor will provide the Foundation with a plan showing the Donor's intent to use the earnings of the Endowment Fund for intended purposes in subsequent years, otherwise the accrued earnings from the Endowment Fund may be awarded at the discretion of the Foundation to any qualified member or chapter in good standing with the Fraternity.

2.3. Types of Grants.

- a. Scholarships.** Scholarships may be made to members of the undergraduate Zeta who are students of the college or university with which the undergraduate Zeta is associated. The Donor will establish a Scholarship Committee (the "**Scholarship Committee**"), for the purpose of making determinations with respect to individuals who should receive scholarships and the amounts of such scholarships. The Scholarship Committee will consider objective and nondiscriminatory criteria in making scholarship awards. Such criteria may include (but are not limited to) prior academic performance, test scores, career goals, and recommendations from

faculty and others. The Scholarship Committee will provide the Foundation with the criteria upon which the scholarship requests and recommendations are made and instructions as to how the scholarship checks should be written and delivered.

- b. Leadership and Educational Grants.** The Foundation may award grants to members of the undergraduate Zeta to enable recipients of such grants to attend educational programs (including leadership and training schools and programs sponsored by the Foundation or the Fraternity) to the extent that the grants (i) are consistent with the purposes for which the Foundation was organized; and (ii) would not in the judgment of the Foundation jeopardize its exempt status or result in the imposition of any tax, penalty, fine or other assessment against the Foundation or any of its officers or directors.
- c. Grants for Chapter Houses.** When a Non-Endowment Fund is established for educational areas and/or educational equipment in the Chapter House, a written plan must be submitted outlining in detail the educational purposes at the time the Fund is established as well as for each proposed grant. This plan must include how contributions will be used, the anticipated goal of the project, the time period for a campaign, and budget. In making any such request, the Donors will be deemed to certify to the Foundation that the funds will be used for their intended educational purposes and that the educational areas and educational equipment involved will be and will continue to be used for their intended educational purposes. If, after a period of three years from the date a Grant Agreement is executed, the amount credited to the Fund is less than the minimum funding amount set forth in the CSF Policies, the Foundation may elect, in its sole discretion, to either (i) treat the amount of contributions credited to the Fund as a restricted fund of the Foundation to benefit educational purposes of the Chapter or (ii) add the Fund to the general funds of the Foundation.

ARTICLE 3

Administration and Operation of the Fund

3.1. Policies. The Donor has received and reviewed the CSF Policies and agrees to the terms and conditions described therein. In the event of any conflict between the terms of this Agreement and the CSF Policies, the terms of this Agreement will govern.

3.2. Maintenance of the Fund. The Foundation will properly segregate on its books of account as separate restricted funds all gifts of money or property received that are designated as gifts to the Fund, and all disbursements of the Fund. Nevertheless, the Foundation may commingle the assets of the Fund for investment purposes with the general endowment or other assets of the Foundation managed and invested in accordance with Foundation policies and procedures then in effect. Subject to the terms of this Agreement, all money and property in the Fund will be held as general assets of the Foundation and not segregated as property of a separate trust.

3.3. Investment. The Foundation may invest contributions received and credited to the Fund, together with any appreciation and undistributed income, as it shall best determine and in any manner permitted by law consistent with prudent investment practices and its normal investment policies.

3.4. Distributions. The ordinary income, realized and unrealized capital appreciation, and principal allocable to the Fund, net of the fees and expenses set forth in this Agreement, may be granted pursuant to the CSF Policies, solely for purposes described in this Agreement. If any gift to the Foundation for the Fund is accepted subject to conditions or

restrictions as to the use of the gift or income therefrom, such conditions or restrictions will be honored, subject, however, to the authority of the Foundation to vary the terms of any gift if continued adherence to any condition or restriction is, in the sole judgment of the Foundation, unnecessary, incapable of fulfillment, or inconsistent with the charitable or other exempt purposes of the Foundation or the needs of those served by the Foundation. No distribution shall be made from the Fund that may in the judgment of the Foundation jeopardize or be inconsistent with the Foundation's Code Section 501(c)(3) status or result in the imposition of any tax, penalty, fine or other assessment, under the Code or otherwise. The Foundation shall make disbursements from the Fund in furtherance of the Purpose only after (i) the Foundation has received assurances from legal counsel that such disbursements will not adversely impact the Foundation's status as a public charity under Internal Revenue Code Sections 501(c)(3) and 509(a)(1), and (ii) the House Corporation and the Chapter have executed and delivered a Grant Agreement in form and substance acceptable to the Foundation.

3.5. Costs of the Fund. The Fund will share a portion of the total investment and administrative costs and expenses of the Foundation, such costs and expenses being determined in accordance with the then-current fee schedule as set forth in the CSF Policies. Any specific costs and expenses incurred by the Foundation in accepting, transferring, or managing property donated to the Foundation for the Fund, including without limitation the Foundation's costs and expenses (including reasonable attorneys' fees) of any claim or proceeding with respect to the Fund, shall also be paid from the Fund and shall be in addition any costs or expenses charged pursuant to the CSF Policies. The Donor agrees that any and all fundraising expenses and other fees incurred with respect to any feasibility study or campaign are solely the responsibility of the Donor.

3.6. Administrative Provisions. Notwithstanding anything herein to the contrary, the Foundation will hold and administer the Fund and all contributions and assets allocable to the Fund subject to the provisions of applicable law, the Foundation's Articles of Incorporation and Bylaws, and the CSF Policies, all as may be amended from time to time. The Foundation will provide the Donor with copies of any amendments to the CSF Policies, which amendments, upon adoption, will be deemed incorporated into this Agreement. The Board will oversee distributions from the Fund and will have all powers of modification and removal specified in any applicable United States Treasury Regulations.

3.7. Acceptance of Gifts. Donor agrees and acknowledges that all gifts of money or property to the Fund are accepted subject at all times to applicable law, including, but not by way of limitation, provisions for presumption of donor intent and variance from donor direction. The Foundation will send any appropriate or required written acknowledgement to an individual donor upon receipt of a gift. To honor an individual donor and to express the appreciation of the Foundation, publicity in the form of news announcements, both internal and external, may be made with the permission of the individual donor and after consultation with the Donor.

3.8. Future Changed Circumstances. If, in the opinion of the Board, all or part of the Fund cannot at some time in the reasonably foreseeable future be usefully or practically applied to the stated purposes or if the purposes cannot be achieved because of a future change in law or unforeseeable circumstances, the Foundation may use the Fund for any related purpose which in the opinion of the Board will most nearly accomplish the stated purposes. Should the Foundation cease to exist, the principal of the Fund will be distributed in the manner provided in the Articles of Incorporation of the Foundation.

3.9. Continuity of the Fund. The Fund shall continue so long as the purposes of the Fund can be served by its continuation. If the operations of the undergraduate Zeta shall be suspended for any reason, the Foundation will hold the assets of the Fund for educational purposes pending re-establishment of undergraduate Zeta operations, and/or pending further direction of the Donor. Notwithstanding the foregoing, if undergraduate Zeta operations shall not have been re-established by the date which is five (5) years after the suspension of undergraduate Zeta operations, the Fund shall terminate automatically. If the Fund is terminated, the Foundation may use any remaining assets in the Fund for charitable or other exempt purposes that are within the scope of the purposes of the Foundation and most nearly approximate, in the good faith opinion of the Board, the original purpose of the Fund.

3.10. Return of Fund Assets to Donor. Upon written request of the Donor at any time before termination of the Fund, the Foundation will deliver all assets of the Fund to an entity formed by the Donor and qualified under Section 501(c)(3) of the Code, subject to the Foundation's receipt of documentation satisfactory to the Foundation of (i) the existence of such entity, and (ii) an opinion letter from counsel attesting to its qualification under Section 501(c)(3).

3.11. Disclosure. The Donor agrees that the Foundation may disclose to an individual donor or potential donor any or all of the terms of this Agreement, including without limitation the terms of the CSF Policies.

ARTICLE 4 Miscellaneous

4.1. Successors and Assigns. All of the covenants, agreements, terms, conditions and undertakings in this agreement shall extend and inure to and be binding upon successors in interest, transferees, heirs, legal representatives, successors and assigns of the Foundation and the Donor.

4.2. Entire Agreement; Amendment; Severability. This Agreement constitutes the sole and entire agreement of the Foundation and the Donor and supersedes any prior understandings or written or oral agreement between the parties with respect to the subject matter of this Agreement. No amendment, modification, or alteration of the terms of this Agreement shall be binding unless the same are in writing, dated subsequent to the date hereof, and duly executed by the Foundation and the Donor. If any section of this Agreement is ruled illegal or invalid, such ruling shall not affect the validity or enforceability of the remainder of that section or of the remaining provisions of the Agreement as a whole. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and same Agreement.

4.3. Waivers. No Waiver by the Foundation or the Donor of any default or breach of any term, covenant or condition of this Agreement by the other shall be deemed a waiver of any other term, covenant or condition hereof, or any subsequent default or breach of the same or any other term, covenant or condition hereof. The consent of the Foundation or the Donor to or approval of any act shall not be deemed to render unnecessary the obtaining of the consent to or approval of the Foundation or the Donor of any subsequent or similar act by the other.

4.4. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Indiana without regard to the principles of law, and jurisdiction

over any dispute with respect to this Agreement shall be irrevocably vested in the state and federal courts serving Marion County, Indiana.

Primary Zeta Alumni contact with oversight responsibilities:

Name: _____
Address: _____
Phone: _____
Email: _____

IN WITNESS WHEREOF, the parties have hereunto subscribed their names as of the date first above-written.

**[ZETA-ZETA] ZETA
HOUSE CORPORATION**

By: _____
Signature of Representative

Print Name and Title

**[ZETA-ZETA] ZETA
EDUCATIONAL FOUNDATION**

By: _____
Signature of Representative

Print Name and Title

**[ZETA-ZETA] ZETA
ALUMNI ASSOCIATION**

By: _____
Signature of Representative

Print Name and Title

**LAMBDA CHI ALPHA
EDUCATIONAL FOUNDATION, INC.**

By: _____
Josh Lodolo
President and Chief Executive Officer



LAMBDA CHI ALPHA

EDUCATIONAL FOUNDATION