

Lambda Chi Alpha Educational Foundation, Inc.

Temporarily Restricted Fund Agreement

[_____] CHAPTER HOUSING FUND

This Chapter Housing Fund Agreement (the "Agreement") is made this ____ day of _____, 20__ by and among [_____] (hereinafter referred to as the "House Corporation"), and the LAMBDA CHI ALPHA EDUCATIONAL FOUNDATION, INC. (hereinafter referred to as the "Foundation").

The House Corporation and the Foundation agree as follows:

- Contribution Commitments. The House Corporation has received verifiable commitments from alumni and friends of the [_____] Chapter of the Lambda Chi Alpha Fraternity (the "Chapter") in an aggregate amount of not less than \$[_____] which as provided for herein are designated for the benefit of the House Corporation for the purpose described in Section 3, below. Subject to the right of the Foundation to reject any particular gift, the Foundation shall receive irrevocable gifts of property and other receipts acceptable to the Foundation from time to time, to be added to the Fund, all of which contributions, earnings and appreciation thereon shall be subject to the provisions of this Agreement and the Policies described in Section 7, below. All gifts, grants, bequests, devises and other receipts into this Fund shall be irrevocable once accepted by the Foundation.
- Fund. All contributions received by the Foundation that are designated or restricted to the purposes set forth in Section 3 will be credited on the books of the Foundation to a separate temporarily restricted fund under the name [_____] Chapter Housing Fund (the "Fund").
- Purpose. It is understood and agreed that the contributions credited to the Fund will be used for the purpose of providing programming, facilities, equipment and materials for the undergraduate members of the Chapter suitable for the instruction or training of the members for purposes of improving or developing the members' capabilities through group interaction and individual study, which may include, without limitation, the renovation or construction of those portions of a building to be used as a chapter house and/or residence for said undergraduate members of the Chapter that are reserved for and exclusively used for educational and charitable purposes qualifying under the IRS rules or guidelines then in effect (the "Purpose").
- Inadequate Funding. The minimum amount needed to fully fund the Fund shall be \$20,000 (the "Minimum Funding Amount"). If, after a period of five years from the date the Grant Agreement (as described in Section 5, below) was executed the amount credited to the Fund is less than the Minimum Funding Amount, 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.

5. Disbursement of Funds. 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.

6. Investment. It is understood and agreed that the contributions received and credited to the Fund, together with any appreciation and undistributed income, may be invested by the Foundation as it shall best determine pending distribution with respect to or for the Purpose. The assets of the Fund may be merged or pooled for investment and investment management purposes with the general endowment or other assets of the Foundation and managed and invested in accordance with Foundation policies and procedures then in effect, but in all events such assets shall be entered on the books and records of the Foundation as the “[_____] Chapter Fund.”

7. Policies. The House Corporation has received and reviewed the Foundation's Chapter Support Fund (CSF) Policies and Fee Schedule, as same may be amended from time to time (the "Policies"), which Policies are incorporated herein by reference, and agrees to the terms and conditions described therein. In the event of any conflict between the terms of this Agreement and the Policies, the terms of this Agreement will govern.

8. Related Expenses. The Foundation may, at its discretion, assess against the Fund on an annual or other basis a reasonable percentage from the Fund to the unrestricted general operating funds of the Foundation in order to defray the expenses incurred by the Foundation with respect to its operation and management of the Fund. The amount assessed against the Fund may be an annual amount, a one-time amount, or both and in all events shall be as set forth in the Policies as the same may be amended from time to time. In addition, the Foundation may pay all direct expenses of the Fund out of the Fund assets. The House Corporation understands that any and all fundraising expenses and other fees incurred with respect to any feasibility study or campaign are solely the responsibility of the House Corporation and that the House Corporation shall indemnify the Foundation with respect to, and hold the Foundation harmless from, any such fees or expenses.

9. Recognition. To honor a donor to the Fund, and to express the appreciation of the Foundation, publicity in the form of news announcements, both internal and external, will be made with the permission of the donor and after consultation with the House Corporation.

10. Chapter Closure. If the Chapter is closed, the Fund shall remain open for a maximum period of 5 years, accruing any appreciation and undistributed income in the interim. If re-colonization of the Chapter does not occur in such time frame, the Fund may be added to the

operating fund or endowment of the Foundation, at the discretion of the Foundation's Board of Directors.

11. Future Changed Circumstances. If, in the reasonable opinion of the Board of Directors of the Foundation, all or part of this Fund cannot at some time in the reasonably foreseeable future be usefully or practically applied to the above Purpose or if the Purpose cannot be achieved because of a future change in law or unforeseeable circumstances, it may be used for any related purpose which in the opinion of the Board of Directors of the Foundation will most nearly accomplish the Purpose. In the unlikely event that the Foundation shall cease to exist, the principal of the Fund shall be distributed in the manner provided in the Articles of Incorporation of the Foundation.

12. Disclosure. The House Corporation agrees that the Foundation shall disclose to a donor or potential donor the terms of this Agreement, including without limitation, the Purpose and provisions relating to inadequate funding set forth in Section 4, Chapter closure situations set forth in Section 10, changed circumstances set forth in Section 11 and the provisions related to the amendment of this Agreement set forth in Section 13.

13. Amendment. Subject to applicable law, any provision of this Agreement may be amended, modified, or deleted upon the mutual consent of the Foundation and the House Corporation. Any such changes, deletions or additions shall be recorded in written signed addenda, which shall form part of this Agreement.

14. Entire Agreement. This Agreement contains the entire understanding of the parties with respect to the subject matter of the Agreement and is subject to the laws of the State of Indiana and jurisdiction over any dispute with respect to this Agreement shall be irrevocably vested in the federal and state courts serving Marion County, Indiana. This Agreement also supersedes all other agreements and understandings, both oral and written, between the parties relating to the subject matter of the Agreement. In witness whereof, the parties to this Agreement have affixed their signatures:

LAMBDA CHI ALPHA EDUCATIONAL FOUNDATION, INC.

By: _____
Josh Lodolo, President and CEO

By: _____
Title: _____
Printed Name: _____