



SCHOLARSHIP ENDOWMENT

THIS AGREEMENT is made this ____ day of _____ by (the Donors), and the United Methodist Higher Education Foundation, Inc., Nashville, Tennessee (the Foundation), a non-profit corporation organized under the laws of Tennessee, which is exempt from federal income taxation pursuant to Section 501(c)(3) of the Internal Revenue Code, or any corresponding provision of any future federal tax laws.

WHEREAS, the Donors and the Foundation desire to establish the _____ **SCHOLARSHIP ENDOWMENT** as a permanent fund, hereinafter called "the Fund" through a \$_____ gift by the Donors to the Foundation; and

WHEREAS, the purpose of the Fund is to provide scholarship support for deserving United Methodist students from the _____ Annual Conference (**any requirements may go here**) attending a United Methodist-related institution of higher education in the United States, with preference given to a student or students attending (**specify a school if you wish**). NOW, THEREFORE, it is agreed as follows:

1. Gift. Cash or deferred gifts may be made to the fund at any time in the future by the donors or other people. Any gift(s) made to the Fund shall be and constitute an irrevocable gift to the Foundation for the charitable purposes set forth herein.

2. Criteria. A person who receives a scholarship from this fund (the "Recipient") must be a member of The United Methodist Church for at least one year and (**any criteria added here**). Preference will be given to students attending (**school, if preference**).

2. Management. The funds will be held by the Foundation's custodian and invested by the Foundation's investment firms. For investment purposes, the endowment funds will be commingled with existing Foundation funds.

3. Administrative Costs. An administrative fee of one percent (1%) of the endowment market value will be charged on an annual basis.

4. The donors (**or a specific family member, if you choose**) will be notified annually of the recipients of the scholarship.

5. Distribution. The Fund will distribute annual scholarships calculated according to the Foundation's Spending Policy, which is currently 4.5 percent of the average of the previous 12 quarters' net asset value using an ending date of June 30. The distribution will be made annually.

6. Purpose. If, in the judgment of the Foundation Board of Trustees, it becomes

impossible to accomplish the purposes of this gift, the income may be used for a purpose in a manner consistent with the mission of the Foundation. The establishment of this fund is subject to the approval of the President and/or the Board of Trustees of the Foundation.

7. Successor to United Methodist Higher Education Foundation. If the United Methodist Higher Education Foundation, Inc. should cease to exist, the _____ Scholarship Endowment shall be transferred to a like organization, which will become the successor and will be subject to all of the terms and conditions of this Endowment Agreement.

IN WITNESS WHEREOF, the parties have duly executed this Agreement the day and date set forth above.

Date

Date

Date

Name
President/CEO
United Methodist Higher Education Foundation