Northwest Florida Children's Foundation, Inc.

Endowment Fund

Policies and Procedures

I. INTRODUCTION
   A. *Mission*. Northwest Florida Children's Foundation ("NFCF") connects the community and a network of charities to benefit children in need in Northwest Florida.
   B. *Endowment Fund*. In 2025, the NFCF Board of Directors (the "Board") authorized the establishment of an endowment fund (the "Endowment") to provide a perpetual source of funding for the operation and charitable activities of NFCF. This document sets forth the policies and procedures relating to the governance and administration of the Endowment.
   C. *Purpose of Endowment*. The Board has determined that it is in the best interests of NFCF's long-term future to create and build the Endowment to better withstand fluctuations in annual fundraising and to provide a mechanism for donors to make gifts to NFCF with greater legacy potential.

II. GOVERNANCE
   A. *Board Responsibility.* The Board retains ultimate responsibility for the investment and management of the Endowment. The Board delegated to the Finance Committee (the "Committee") responsibility for the financial management and investment of the Endowment. The Board delegated to the Endowment Committee responsibility of solicitation and acceptance of gifts. The Board created this Policies and Procedures document, which was approved by the Board on September 16, 2025.
   B. *Amendment of Policies and Procedures.* This document may be amended or revised at any time upon recommendation by the Committee and approval by the Board.
   C. *Best Practices.* As a general operating principle, the Committee shall strive to follow best practices of the charitable and philanthropic communities, including adhering to the Donor Bill of Rights created by the Association of Fundraising Professionals (AFP). A copy of the Donor Bill of Rights is attached as Exhibit A.
   D. *Florida Uniform Prudent Management of Institutional Funds Act and Prudent Investor Rule.* The Committee recognizes that the operation of the Endowment is subject to the provisions of the Florida Uniform Prudent Management of Institutional Funds Act (the "Act"), F.S. § 617.2104 and the Florida Prudent Investor Rule, F.S. § 518.11, copies of which are attached as Exhibit B.

III. SOLICITATION AND ACCEPTANCE OF GIFTS
   A. *Solicitation.* The President and/or other appointed NFCF staff members with direct oversight of the Endowment Committee, and upon approval from the Board and with the general oversight of the Committee, shall inform NFCF stakeholders, past and potential donors of the establishment of the Endowment and the opportunity to make gifts to it, both during life and through planned gifts. The Committee may also promote the availability of the Endowment to planned giving professionals.
   B. *Written Direction of Gift.* A gift from a donor to NFCF will be added to the Endowment if the donor accompanies the gift with a writing that specifically directs the gift to be added to the Endowment or otherwise indicates an intent that the gift should be added to the Endowment (Gift Agreement – Exhibit C).

C. *Acceptance of Gifts.* The Endowment will accept gifts of the following types and subject to the conditions as set forth below:
   i. Cash. Checks and wire transfers will be accepted as donations to the Endowment, provided the minimum gift shall be $10,000.
   ii. Marketable Securities. Gifts of readily marketable securities will be accepted as donations to the Endowment, provided the minimum gift shall be $10,000. The securities received shall be sold promptly upon receipt and the cash proceeds added to the Endowment.
   iii. Closely Held Stock. Gifts of closely held stock may only be accepted upon approval by the Board upon recommendation of the Committee after due diligence and provided that the closely held stock is of such significant value that it justifies the additional work required by NFCF to perform due diligence. If accepted, the gift must also be accompanied by a qualified appraisal performed by an independent professional appraiser.
   iv. Tangible Personal Property. Gifts of tangible personal property will generally not be accepted as gifts to the Endowment. Exceptions may be made upon recommendation by the Committee and approval by the Board.
   v. Real Estate. Gifts of real estate may only be accepted upon approval by the Board upon recommendation of the Committee after due diligence and provided that the real estate is of such significant value that it justifies the additional work required by NFCF to perform due diligence. If accepted, the gift must also be accompanied by a qualified appraisal performed by an independence professional appraiser. The real estate must be unencumbered by mortgages or other liens.
   vi. Life Insurance Policies. Gifts of life insurance policies may be accepted on the life of a donor only if the policy has a cash value of at least $10,000 net of surrender fees, is not subject to any outstanding loans or collateral assignments, and the death benefit has the ability to be changed to reduce paid up. NFCF will only except if there is a full transfer of ownership, giving the foundation the ability to make all decisions on the policy that the original owner could make based on current insurance law and the insurance carriers rules. An arrangement can be made for the donor to continue to be the payer of the policy for future donations if the policy is not fully paid up. Once the ownership is transferred the foundation has full discretion on whether the policy is surrendered or kept in force.

D. *Estates and Trusts.* The Endowment will accept distributions from estates and trusts subject to the same rules as lifetime gifts. Donors may elect to make irrevocable planned gifts through their estate.
E. *Life Insurance Death Benefit Proceeds.* The Endowment will accept life insurance death benefit proceeds when it has been named the beneficiary of a life insurance policy and will take the proceeds as an immediate cash distribution.
F. *Distributions from 401k or IRAs.* The Endowment will accept current or beneficiary proceeds from 401ks, or IRAs as directed by donors.
G. *Separate Named Funds.* For a minimum donation of $1,000,000.00 donors may establish separate named funds within the Endowment, in which case the donor may specify to a certain degree, how future distributions from that donor's separate named fund will be

utilized by NFCF. The following rules shall apply to the acceptance of sperate named funds:

i. Designation of Distributions. By a written agreement with NFCF, the donor may specify that the distribution from the separate named fund may be designated for and among NFCF partner charities.
ii. Minimum Contribution. For purposes of establishing a separate named fund, the donor may contribute the $1,000,000.00 minimum amount over a period of years from the date of the pledge, provided that the donor understands that the pledge shall be legally binding upon the donor or his or her estate.
iii. Distributions from a Separate Named Fund. Distributions for grantmaking activities will not be initiated until the full minimum of $1,000,000.00 has been reached; however, the administrative fee of 1.5% shall be applied to all named funds at initial gift forward without bearing on that status of the multi-year payment attainment.
iv. Sample Agreement. An example of a template donor agreement to establish a separate named fund is attached in Exhibit D.

IV. INVESTMENT OF ENDOWMENT

A. *Finance Committee Authority.* The Board has delegated to the Finance Committee the management and investment of the Endowment. As authorized by the Act, the Committee may delegate the investment of the Endowment, or separate pools of assets in the Endowment, to one or more external agents.
B. *Investment Policy.* NFCF currently has an investment policy for long-term investments, which shall serve as the governing policy for the investment of the Endowment and shall be communicated to any external agents hired by the Committee to management investments in the Endowment. A copy of NFCF's long-term investment policy is attached as Exhibit E.
C. *Segregation of Endowment.* Consistent with generally accepted accounting principles, the Endowment shall be segregated on the books of NFCF, although its assets may be pooled with other NFCF assets for investment purposes.

V. DISTRIBUTIONS FROM ENDOWMENT

A. *General Policy.* Unless directed otherwise by the Committee or the Board, the Endowment will distribute to NFCF an annual amount (the "Annual Distribution") each fiscal year equal to four percent (4%) of the value of the Endowment, subject to the following provisions:
   i. Rolling Average: The computation of the Annual Distribution amount shall be based on a three-year rolling average of the value of the Endowment as of the end of each prior fiscal year.
   ii. Separate Donor Funds: The Committee will specify the separate amounts from the Annual Distribution that must be allocated as required by the terms of each donor agreement.
   iii. Partial Distribution: The payment of the Annual Distribution may be made in one lump sum or in a series of distributions as determined by the Committee in its discretion.
   iv. Net of Fees: In computing the Annual Distribution, the determination of the value of the Endowment as of the end of the prior fiscal year shall be made net of investment management fees that are allocable to that fiscal year and net of any annual NFCF administrative fees as determined by the Finance Committee.

v. Unitrust Concept: By providing an Annual Distribution measured as a percentage of the value of the Endowment rather than distributing the income of the Endowment, the Committee seeks to allow a greater focus on total return investing, with the aim of preserving and growing the underlying value of the Endowment.

B. *Allocation of Distribution.* Except as otherwise required by the terms of donor agreements, NFCF may allocate the balance of the Annual Distribution as the Board determines in its discretion.

C. *Additional Distributions.* Except as otherwise restricted by the terms of donor agreements, the Board, by a majority affirmative vote, may authorize additional distributions from the Endowment to NFCF's general operating funds as it determines in its discretion. It is the hope, but not legal direction, that the Endowment will not be expended beyond the Annual Distribution for general operating purposes but rather only for emergencies when the continued viability of NFCF is at risk.

A DONOR BILL OF RIGHTS

DEVELOPED BY:

Association of Fundraising Professionals (AFP)	Association for Healthcare Philanthropy (AHP)	Council for Advancement and Support of Education (CASE)	Giving Institute: Leading Consultants to Non-Profits

PHILANTHROPY is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the not-for-profit organizations and causes they are asked to support, we declare that all donors have these rights:

I

To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.

II

To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.

III

To have access to the organization's most recent financial statements.

IV

To be assured their gifts will be used for the purposes for which they were given.

V

To receive appropriate acknowledgement and recognition.

VI

To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.

VII

To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.

VIII

To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.

IX

To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.

X

To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

EXHIBIT B – FLORIDA STATUTES

617.2104 Florida Uniform Prudent Management of Institutional Funds Act. -

(1) SHORT TITLE. —This section may be cited as the "Florida Uniform Prudent Management of Institutional Funds Act."

(2) DEFINITIONS. —For purposes of this section:

(a) "Charitable purpose" means the relief of poverty, the advancement of education or religion, the promotion of health, the promotion of a governmental purpose, or any other purpose the achievement of which is beneficial to the community.

(b) "Endowment fund" means an institutional fund or part thereof that, under the terms of a gift instrument, is not wholly expendable by the institution on a current basis. The term does not include assets that an institution designates as an endowment fund for its own use.

(c) "Gift instrument" means a record or records, including an institutional solicitation, under which property is granted to, transferred to, or held by an institution as an institutional fund.

(d) "Institution" means:

1. A person organized and operated exclusively for charitable purposes, other than:

a. An individual; or

b. A trust subject to s. 518.11;

2. A government or governmental subdivision, agency, or instrumentality to the extent that it holds funds exclusively for a charitable purpose; or

3. A trust that had both charitable and noncharitable interests after all noncharitable interests have been terminated if the trust is not subject to s. 518.11.

(e) "Institutional fund" means a fund held by an institution exclusively for charitable purposes. The term does not include:

1. Program-related assets;

2. A fund held for an institution by a trustee that is not an institution;

3. A fund in which a beneficiary that is not an institution has an interest, other than an interest that could arise upon violation or failure of the purposes of the fund; or

4. A fund managed or administered by the State Board of Administration pursuant to its constitutional or statutory authority.

(f) "Person" means an individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, public corporation, government or governmental subdivision, agency, or instrumentality, or any other legal or commercial entity.

(g) "Program-related asset" means an asset held by an institution primarily to accomplish a charitable purpose of the institution and not primarily for investment.

(h) "Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

(3) STANDARD OF CONDUCT IN MANAGING AND INVESTING INSTITUTIONAL FUND.—

(a) Subject to the intent of a donor expressed in a gift instrument, an institution, in managing and investing an institutional fund, shall consider the charitable purposes of the institution and the purposes of the institutional fund.

(b) In addition to complying with the duty of loyalty imposed by law other than this section, each person responsible for managing and investing an institutional fund shall manage and invest the fund in good faith and with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

(c) In managing and investing an institutional fund, an institution:

1. May incur only costs that are appropriate and reasonable in relation to the assets, the purposes of the institution, and the skills available to the institution.

2. Shall make a reasonable effort to verify facts relevant to the management and investment of the fund.

(d) An institution may pool two or more institutional funds for purposes of management and investment.

(e) Except as otherwise provided by a gift instrument, the following rules apply:

1. In managing and investing an institutional fund, the following factors, if relevant, must be considered:

a. General economic conditions.

b. The possible effect of inflation or deflation.

c. The expected tax consequences, if any, of investment decisions or strategies.

d. The role that each investment or course of action plays within the overall investment portfolio of the fund.

e. The expected total return from income and the appreciation of investments.

f. Other resources of the institution.

g. The needs of the institution and the fund to make distributions and to preserve capital.

h. An asset's special relationship or special value, if any, to the charitable purposes of the institution.

2. Management and investment decisions about an individual asset must be made not in isolation but rather in the context of the institutional fund's portfolio of investments as a whole and as a part of an overall investment strategy having risk and return objectives reasonably suited to the fund and to the institution.

3. Except as otherwise provided by law other than this section, an institution may invest in any kind of property or type of investment consistent with this section.

4. An institution shall diversify the investments of an institutional fund unless the institution reasonably and prudently determines under this section that the purposes of the fund are better served without diversification.

5. Within a reasonable time after receiving property, an institution shall make and carry out decisions concerning the retention or disposition of the property or to rebalance a portfolio in order to bring the institutional fund into compliance with the purposes, terms, and distribution requirements of the institution as necessary to meet other circumstances of the institution and the requirements of this section.

6. A person that has special skills or expertise, or is selected in reliance upon the person's representation that the person has special skills or expertise, has a duty to use those skills or that expertise in managing and investing institutional funds.

(4) APPROPRIATION FOR EXPENDITURE OR ACCUMULATION OF ENDOWMENT FUND; RULES OF CONSTRUCTION. —

(a) Subject to the intent of a donor expressed in the gift instrument, an institution may appropriate for expenditure or accumulate so much of an endowment fund as the institution determines is prudent for the uses, benefits, purposes, and duration for which the endowment fund is established. Unless stated otherwise in the gift instrument, the assets in an endowment fund are donor-restricted assets until appropriated for expenditure by the institution. In making a determination to appropriate or accumulate, the institution shall act in good faith with the care that an ordinarily prudent person in a like position would exercise under similar circumstances and shall consider, if relevant, the following factors:

1. The duration and preservation of the endowment fund.
2. The purposes of the institution and the endowment fund.
3. General economic conditions.
4. The possible effect of inflation or deflation.
5. The expected total return from income and the appreciation of investments.
6. Other resources of the institution.
7. The investment policy of the institution.

(b) To limit the authority to appropriate for expenditure or accumulate under paragraph (a), a gift instrument must specifically state the limitation.

(c) Terms in a gift instrument designating a gift as an endowment, or a direction or authorization in the gift instrument to use only "income," "interest," "dividends," or "rents, issues, or profits," or "to preserve the principal intact," or words of similar import:

1. Create an endowment fund of permanent duration unless other language in the gift instrument limits the duration or purpose of the fund.

2. Do not otherwise limit the authority to appropriate for expenditure or accumulate under paragraph (a).

(5) DELEGATION OF MANAGEMENT AND INVESTMENT FUNCTIONS. —

(a) Subject to any specific limitation set forth in a gift instrument or in law other than this section, an institution may delegate to an external agent the management and investment of an institutional fund to the extent that an institution could prudently delegate under the circumstances. An institution shall act in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances, in:

1. Selecting an agent.
2. Establishing the scope and terms of the delegation, consistent with the purposes of the institution and the institutional fund.
3. Periodically reviewing the agent's actions in order to monitor the agent's performance and compliance with the scope and terms of the delegation.

(b) In performing a delegated function, an agent owes a duty to the institution to exercise reasonable care to comply with the scope and terms of the delegation.

(c) An institution that complies with paragraph (a) is not liable for the decisions or actions of an agent to which the function was delegated.

(d) By accepting delegation of a management or investment function from an institution that is subject to the laws of this state, an agent submits to the jurisdiction of the courts of this state in all proceedings arising from or related to the delegation or the performance of the delegated function.

(e) An institution may delegate management and investment functions to its committees, officers, or employees as authorized by law other than this section.

(6) RELEASE OR MODIFICATION OF RESTRICTIONS ON MANAGEMENT, INVESTMENT, OR PURPOSE. —

(a) If the donor consents in a record, an institution may release or modify, in whole or in part, a restriction contained in a gift instrument on the management, investment, or purpose of an institutional fund. A release or modification may not allow a fund to be used for a purpose other than a charitable purpose of the institution.

(b) If consent of the donor in a record cannot be obtained by reason of the donor's death, disability, unavailability, or impossibility of identification, a governing board may modify a restriction contained in a gift instrument regarding the management, investment, or use of an institutional fund if the fund has a total value of $100,000 or less and the restriction has become impracticable or wasteful; impairs the management, investment, or use of the fund; or if, because of circumstances not anticipated by the donor, a modification of a restriction will further the purposes of the fund.

(c) If an institution determines that a restriction contained in a gift instrument on the management, investment, or purpose of an institutional fund is unlawful, impracticable, impossible to achieve, or wasteful, the institution, after providing written notice to the Attorney General, may release or modify the restriction, in whole or part, if:

1. The institutional fund subject to the restriction has a total value of at least $100,000 and not more than $250,000;

2. More than 20 years have elapsed since the fund was established; and

3. The institution uses the property in a manner consistent with the charitable purposes expressed in the gift instrument.

(d) The circuit court for the circuit in which an institution is located, upon application of that institution, may modify a restriction contained in a gift instrument regarding the management or investment of an institutional fund if the restriction has become impracticable or wasteful, if it impairs the management or investment of the fund, or if, because of circumstances not anticipated by the donor, a modification of a restriction will further the purposes of the fund. The institution shall notify the Attorney General of the application. To the extent practicable, any modification must be made in accordance with the donor's probable intention.

(e) If a particular charitable purpose or a restriction contained in a gift instrument on the use of an institutional fund becomes unlawful, impracticable, impossible to achieve, or wasteful, the circuit court for the circuit in which an institution is located, upon application of that institution, may modify the purpose of the fund or the restriction on the use of the fund in a manner consistent with the charitable purposes expressed in the gift instrument. The institution shall notify the Attorney General of the application.

(7) REVIEWING COMPLIANCE. —Compliance with this section is determined in light of the facts and circumstances existing at the time a decision is made or action is taken, and not by hindsight.

(8) APPLICATION TO EXISTING INSTITUTIONAL FUNDS. —This section applies to institutional funds existing on or established after the effective date of this section. As applied to institutional funds existing on the effective date of this section, this section governs only decisions made or actions taken on or after that date.

(9) RELATION TO ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT.—This section modifies, limits, and supersedes the federal Electronic Signatures in Global and National Commerce Act, 15 U.S.C. ss. 7001 et seq., but does not modify, limit, or supersede s. 101(c) of that act, 15 U.S.C. s. 7001(c), or authorize electronic delivery of any of the notices described in s. 103(b) of that act, 15 U.S.C. s. 7003(b).

(10) UNIFORMITY OF APPLICATION AND CONSTRUCTION. —In applying and construing this uniform act, consideration must be given to the need to promote uniformity of the law with respect to its subject matter among states that enact it.

History. —s. 1, ch. 2011-170

518.11 Investments by fiduciaries; prudent investor rule. -

1) A fiduciary has a duty to invest and manage investment assets as follows:

(a) The fiduciary has a duty to invest and manage investment assets as a prudent investor would considering the purposes, terms, distribution requirements, and other circumstances of the trust. This standard requires the exercise of reasonable care and caution and is to be applied to investments not in isolation, but in the context of the investment portfolio as a whole and as a part of an overall investment strategy that should incorporate risk and return objectives reasonably suitable to the trust, guardianship, or probate estate. If the fiduciary has special skills, or is named fiduciary on the basis of representations of special skills or expertise, the fiduciary is under a duty to use those skills.

(b) No specific investment or course of action is, taken alone, prudent or imprudent. The fiduciary may invest in every kind of property and type of investment, subject to this section. The fiduciary's investment decisions and actions are to be judged in terms of the fiduciary's reasonable business judgment regarding the anticipated effect on the investment portfolio as a whole under the facts and circumstances prevailing at the time of the decision or action. The prudent investor rule is a test of conduct and not of resulting performance.

(c) The fiduciary has a duty to diversify the investments unless, under the circumstances, the fiduciary believes reasonably it is in the interests of the beneficiaries and furthers the purposes of the trust, guardianship, or estate not to diversify.

(d) The fiduciary has a duty, within a reasonable time after acceptance of the trust, estate, or guardianship, to review the investment portfolio and to make and implement decisions concerning the retention and disposition of original preexisting investments in order to conform to the provisions of this section. The fiduciary's decision to retain or dispose of an asset may be influenced properly by the asset's special relationship or value to the purposes of the trust, estate, or guardianship, or to some or all of the beneficiaries, consistent with the trustee's duty of impartiality, or to the ward.

(e) The fiduciary has a duty to pursue an investment strategy that considers both the reasonable production of income and safety of capital, consistent with the fiduciary's duty of impartiality and the purposes of the trust, estate, or guardianship. Whether investments are underproductive or over productive of income shall be judged by the portfolio as a whole and not as to any particular asset.

(f) The circumstances that the fiduciary may consider in making investment decisions include, without limitation, the general economic conditions, the possible effect of inflation, the expected tax consequences of investment decisions or strategies, the role each investment or course of action plays within the overall portfolio, the expected total return, including both income yield and appreciation of capital, and the duty to incur only reasonable and appropriate costs. The fiduciary may, but need not, consider related trusts, estates, and guardianships, and the income available from other sources to, and the assets of, beneficiaries when making investment decisions.

(2) The provisions of this section may be expanded, restricted, eliminated, or otherwise altered by express provisions of the governing instrument, whether the instrument was executed before or after the effective date of this section. An express provision need not refer specifically to this statute. The fiduciary is not liable to any person for the fiduciary's reasonable reliance on those express provisions.

(3) Nothing in this section abrogates or restricts the power of an appropriate court in proper cases:

(a) To direct or permit the trustee to deviate from the terms of the governing instrument; or

(b) To direct or permit the fiduciary to take, or to restrain the fiduciary from taking, any action regarding the making or retention of investments.

(4) The following terms or comparable language in the investment powers and related provisions of a governing instrument shall be construed as authorizing any investment or strategy permitted under this section: "investments permissible by law for investment of trust funds," "legal investments," "authorized investments," "using the judgment and care under the circumstances then prevailing that persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable income as well as the probable safety of their capital," "prudent trustee rule," "prudent person rule," and "prudent investor rule."

(5) This section applies to all existing and future fiduciary relationships subject to this section, but only as to acts or omissions occurring after October 1, 1993.

History.—s. 6, ch. 28154, 1953; s. 2, ch. 93-257; s. 26, ch. 97-98; s. 686, ch. 97-103.

General Endowment Gift Agreement

GIFT AGREEMENT
BETWEEN

[___]

AND

NORTHWEST FLORIDA CHILDREN'S FOUNDATION, INC.

This Gift Agreement (this "Agreement"), effective as of the xx day of xx, 2026 (the "Effective Date"), is made and entered into by and between ____________________ (the "Donor(s)") and the NORTHWEST FLORIDA CHILDREN'S FOUNDATION, INC., a Florida not for profit corporation qualified as an exempt organization under 501(c)(3) of the Internal Revenue Code of 1986 and the applicable treasury regulations as they now exist or may hereafter be amended, whose tax identification number is: 20-4475403 ("NFCF").

1. Gift. The Donor(s) hereby pledge the sum of $[__] (the "Gift") to be used for the Purpose (as outlined and defined in Section 4 below) as follows:

   ___ An irrevocable pledge and will be made to NFCF in installments pursuant to the schedule set forth below, with Donor recognizing that NFCF will rely upon this pledge when making expenditures, entering contracts, making grants to other charitable organizations, and engaging in other activities;

   - $_____xxx________ gift by ___xx/xx/xxxx_______ (Date)
   - $_____xxx________ gift by ___xx/xx/xxxx_______ (Date)
   - $_____xxx________ gift by ___xx/xx/xxxx_______ (Date)

   The Donor(s) has the option of fulfilling the pledge in its entirety at any point prior to the due date of the last installment; or

   ___ A one-time, outright charitable contribution to NFCF.

2. Deferred Gift. In addition to or in place of the current Gift, Donor(s) agree to make an irrevocable deferred gift at a minimum amount of $__________________ to be paid to NFCF for the Purpose upon the death of the last surviving Donor (which minimum amount shall include any portion of the pledge that remains unfulfilled as of the date of Donor's death and shall be included in the funds established by this Agreement). Donor(s) agrees to include the foregoing deferred gift commitment in Donor(s) estate plan and that this Agreement is intended to be binding upon Donor(s), their successors and assigns, and their estate for the benefit of and enforceable by NFCF.

3. Additional Gifts. NFCF and the Donor(s) agree that the Donor(s) have the right to make additional donations, either by gift or bequest, to NFCF for the Purpose which shall be included in the funds established by this Agreement.

4. Purpose. The Gift will provide financial support for a General Endowment Fund (the "Purpose"), which General Endowment Fund (the "Endowment Fund") will support the operations of NFCF in furtherance of its mission to "connect the community and a network of charities to benefit children in need in

Northwest Florida" ("Mission"). Donor(s) acknowledges that the Endowment Fund is subject to the provisions of the Florida Uniform Prudent Management of Institutional Funds Act ("Act"), F.S. 617.2104 and the Florida Prudent Investor Rule, F.S. 518.11, copies of which may be obtained at https://bit.ly/FLSTATUTES. Donor(s) acknowledges that the investment of the Endowment Fund, or separate pools of assets in the Endowment Fund, as authorized by the Act, may be delegated by the Finance Committee of NFCF (the "Finance Committee") to one or more external agents. Donor(s) acknowledge that the investment of the Endowment Fund will be performed according to NFCF's Investment Policy for long-term investments, which shall serve as the governing policy for the investment of the Endowment Fund and shall be communicated to any external agents hired by the Finance Committee to manage investments in the Endowment Fund. A copy of NFCF's long-term investment policy is available upon request. Donor(s) acknowledges that, consistent with generally accepted accounting principles, the Endowment Fund shall be segregated on the books of NFCF, although its assets may be pooled with other NFCF assets for investment purposes.

5. <u>Endowment Fund Distributions</u>. Donor(s) acknowledge that unless otherwise directed by the Finance Committee or the NFCF board of directors (the "Board of Directors"), the Endowment Fund will distribute to NFCF an annual amount ("Annual Distribution") each fiscal year equal to four percent (4%) of the value of the Endowment Fund to use by NFCF in support of the Mission, subject to the following provisions:

   a) <u>Rolling Average</u>. The computation of the Annual Distribution amount shall be based on a three-year rolling average of the value of the Endowment Fund as of the end of each prior fiscal year.
   b) <u>Separate Donor Funds</u>. The Finance Committee will specify the separate amounts from the Annual Distribution that must be allocated as required by the terms of each donor agreement.
   c) <u>Partial Distributions</u>. The payment of the Annual Distribution may be made in one lump sum or in a series of distributions as determined by the Finance Committee in its discretion.
   d) <u>Net of Fees.</u> In computing the Annual Distribution, the determination of the value of the Endowment Fund as of the end of the prior fiscal year shall be made net of investment management fees that are allocable to that fiscal year and net of NFCF's annual administration fee of 1.5%.
   e) <u>Unitrust Concept</u>. By providing an Annual Distribution measured as a percentage of the value of the Endowment Fund rather than distributing the income of the Endowment Fund, the Finance Committee seeks to allow a greater focus on total return investing as encouraged by the Act and by the Prudent Investor Rule, with the ultimate aim of preserving and growing the underlying value of the Endowment Fund.

   Allocation of Distributions. Except as otherwise required by the terms of the Donor(s) in this Agreement, NFCF may allocate the balance of the Annual Distribution as the Board of Directors determines in its discretion.

   Additional Distributions. Except as otherwise restricted by the terms of the Donor(s) in this Agreement, the Board of Directors, by a majority affirmative vote, may authorize additional distributions from the Endowment Fund to NFCF's general operating funds as it determines in its discretion. It is the hope, but not legal direction, that the Endowment Fund will not be expended beyond the Annual Distribution for general operating purposes but rather only for emergencies when the continued viability of NFCF is at risk.

6. <u>Failure of Gift Purpose</u>. If NFCF's Board of Directors determines, in its sole and absolute discretion, that all or part of the Gift cannot at some time in the future be usefully or practically applied to the Purpose, if the Purpose cannot be achieved because of an unforeseeable change in circumstances, or if NFCF shall no longer be organized to raise, receive and maintain funds exclusively for charitable purposes that benefit children in need in Northwest Florida, then NFCF shall consult with Donor(s) if living, or the person designated by Donor(s) estate, if deceased, by providing written notice to the last known address of such person. If the Donor(s) or designee fails to respond within ninety (90) days of

such notice, or if NFCF is unable to locate the Donor(s) or designee after reasonable efforts, then NFCF may, in its sole discretion, apply the remaining Gift to programs consistent with the Mission. If the Donor(s) or designee timely responds, the Donor(s) shall have the option of either: (a) receiving a reimbursement of that portion of the Gift contributed to date (without interest) that has not be distributed from the Endowment Fund, or (b) instructing NFCF to (i) use the Gift in support of programs consistent with the Mission or (ii) if NFCF shall no longer be organized to raise, receive and maintain funds exclusively for charitable purposes that benefit children in need in Northwest Florida, to distribute the Gift to another organization that benefits children in need in Northwest Florida that qualifies as an exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986 and the applicable Treasury Regulations as they now exist or may hereafter be amended.

7. <u>Recognition</u>. In consideration for the Gift, the Donor(s) will be recognized as Donor(s) associated with the Endowment Fund in any placed signage or in publicly distributed listings such as in Annual Reports or on the website, unless the Donor specifies anonymity. Notwithstanding anything to the contrary herein, NFCF may terminate its obligations and all rights and benefits of the Donor(s) under this provision, including all recognition rights if (a) the Donor(s) fails to timely make any portion of the Gift, or (b) NFCF determines, in its sole and absolute discretion, that the continued association and/or affiliation with the Donor(s) would adversely impact the reputation, image, mission, or integrity of NFCF. Upon any such termination, NFCF shall have no further obligation or liability to the Donor(s) with respect to recognition, and shall not be required to return any portion of the Gift, except as otherwise required in Section 6. For the avoidance of doubt, any such termination of recognition shall not relieve the Donor(s) of any outstanding pledge or payment obligations under this Agreement.

8. <u>Reporting</u>. Donor(s), and such other persons designated by Donor(s) to receive reports on their behalf, are entitled to annual reporting on the investment of and approved expenditures of the Endowment Fund.

9. <u>Binding</u>. This Agreement shall be a binding obligation upon NFCF and the Donor(s) and their respective estates and heirs.

10. <u>Confidentiality</u>. NFCF and the Donor(s) agree that all other information regarding the Gift described in this Agreement will be held in confidence to the extent allowed by law if directed in writing by the Donor(s).

11. <u>Miscellaneous</u>. This Agreement will be governed by and construed in accordance with the laws of the State of Florida. This Agreement constitutes the entire agreement of the parties. This Agreement may not be modified or amended except by written agreement executed by both parties hereto. This Agreement may be executed in counterparts, which when taken together shall constitute a single, binding agreement. In connection with any litigation concerning this Agreement, venue shall lie exclusively in Walton County, Florida, and the prevailing party shall be entitled to recover reasonable attorney fees and court costs, from the non-prevailing party. Signatures hereon transferred by facsimile or email shall be deemed originals for all purposes.

In witness whereof, the Donor(s) and NFCF have executed this Agreement on the Effective Date.

DONOR(S):	Northwest Florida Children's Foundation, Inc.
______________________________	By: ______________________________
Donor(s) (date)	Karah Fridley-Young, President (date)
______________________________	By: ______________________________
Donor(s) (date)	Doug Ingram, Treasurer (date)

NORTHWEST FLORIDA CHILDREN'S FOUNDATION, INC. IS A 501(c)(3) TAX EXEMPT ORGANIZATION - EIN: 20-4475403. A COPY OF THE OFFICIAL REGISTRATION AND FINANCIAL INFORMATION MAY BE OBTAINED FROM THE DIVISION OF CONSUMER SERVICES BY CALLING TOLL-FREE, WITHIN THE STATE, 1-800-HELPFLA, OR VIA THE INTERNET AT WWW.800HELPFLA.COM. REGISTRATION DOES NOT IMPLY ENDORSEMENT, APPROVAL, OR RECOMMENDATION BY THE STATE.