

TRUST AGREEMENT FOR ADVISED FUND

THIS AGREEMENT, made effective this ____ day of _____ 20____, and executed in duplicate between _____ (the “Grantor”), and **The Winston-Salem Foundation, Inc.**, a nonprofit corporation having its principal office in Winston-Salem, North Carolina (the “Trustee”), as Trustee for THE WINSTON-SALEM FOUNDATION.

RECITALS

The Grantor has delivered and does hereby irrevocably assign and transfer to the Trustee the assets itemized on the attached Schedule A and made a part of this Agreement, which, together with such other assets as may hereafter be brought within the operation of this Agreement, shall be held by the Trustee or its successor in trust to be administered in the manner and for the purposes hereinafter set forth, as follows:

(1) The trust hereby created shall be known as the _____.

(2) The Fund shall be administered by The Winston-Salem Foundation, Inc. as a constituent part of The Winston-Salem Foundation, a community trust, and shall be subject in all respects to the provisions and conditions set forth in the Resolution and Declaration of Trust creating The Winston-Salem Foundation adopted on October 14, 1919, as Amended and Restated effective December 1, 1993, and as it may hereafter be amended (the “Master Trust”).

(3) It is the purpose of the Fund to provide a permanent fund, **income*** from which may be used to support worthy charitable and public causes. The amount to be distributed from the Fund (the “Distributable Amount”) in support of such causes shall be the percentage of the value of the Fund set forth in the Spending Policy (or other distribution policy) of The Winston-Salem Foundation as adopted from time to time by the Foundation Committee of The Winston-Salem Foundation (“the Foundation Committee”), subject to applicable laws, rules and regulations for determining distributable amounts from funds administered by The Winston-Salem Foundation as in effect from time to time. The Distributable Amount shall be deemed to be the income of the Fund, and the remainder of the assets of the Fund shall be deemed to be the principal. The principal of the Fund may not be granted, loaned or distributed except pursuant to provisions of the Master Trust.

(4) The Fund shall be administered as an Advised Fund of The Winston-Salem Foundation according to the Procedures for Advised Funds in effect from time to time. While the Grantor is living and has capacity, the Grantor may make written recommendations to the Foundation as to the use or application of the Distributable Amount. Such recommendations are advisory and must be approved by the Foundation Committee.

**** After the death or incapacity of the Grantor, only the income of the fund may be used to**

* Note: principal expenditure may be offered for funds established with \$250,000 or more.

** Note: In Article Four, the Grantor has the right to include a second generation of advisors to make grant recommendations for the fund. The Foundation allows two generations of advisors (ex. husband and wife are one generation and their children are a second generation). In the event of the death of any of the Grantors to the fund, the surviving Grantor may at any time provide in writing a replacement advisor for the fund. In the event that no advisors are specifically named, the original purpose of the fund will be honored.

support worthy charitable and public causes. Thereafter, the Grantor's children, _____, as Successor Advisors, may make recommendations as to the use or application of the Distributable Amount during their lifetimes. Such recommendations are advisory only and must be approved by the Foundation Committee

(5) After the death or incapacity of the Grantor and the Successor Advisors, the Fund shall become an Unrestricted Fund of The Winston-Salem Foundation to support the general charitable needs of the community. The Grantor does, however, retain the right to make recommendations to the Foundation Committee regarding charitable uses of the assets in the Fund after his/her death or incapacity, and may do so by written instrument delivered to the Trustee during the Grantor's lifetime.

(6) The Master Trust provides at Article IV that any directions with respect to distributions from the Fund must be reasonable and consistent with the charitable purposes of the Master Trust. Article V of the Master Trust gives the Foundation Committee the authority to redirect the use of any gift or bequest when circumstances (including without limitation applicable tax statutes) have changed so that (a) a specified purpose has become incapable of fulfillment in compliance with the terms of the gift or bequest, unnecessary, undesirable, impractical or impossible, (b) the principal of the gift or bequest (or the income there from) is more than is necessary or desirable to accomplish the stated purpose, or (c) the expressed desire or direction of a testator or donor is no longer wise, beneficial, or consistent with the charitable purposes of the Foundation in the judgment of the Foundation Committee.

(7) At any time, and from time to time, during the existence of the Fund, the Trustee shall have the power to appoint a corporate fiduciary to serve as an additional trustee. Thereafter, the Trustee shall have the power to remove the additional trustee so appointed with or without cause, and the Trustee may, but shall not be required to, appoint a replacement additional trustee. Any appointment or removal shall be effected by a written document signed by the Trustee and delivered to the corporate fiduciary so appointed or removed. No corporate fiduciary appointed by the Trustee pursuant to this Section shall have any duty, responsibility or authority to participate in any decision about the distribution of trust income or principal.

(8) Subject to the consent of the Foundation, the Grantor shall have the power to change (i) the name of the Fund and (ii) the successor advisor(s) to the Fund. In addition, and subject to the consent of the Foundation, the Grantor may request a change to a provision of this Agreement, so long as the requested change would not result in excessive control by the Grantor or otherwise impose a material restriction or condition that prevents the Foundation from freely and effectively employing the assets of the Fund in furtherance of its exempt purposes, determined in the absolute discretion of the Foundation. No portion of the assets of the Fund shall revert to the Grantor or be used or applied for any purpose other than charitable and public purposes set forth in the Master Trust as from time to time amended.

(9) The Trustee reserves the right to resign as Trustee hereunder during the duration of the Fund by delivering written notice to the Grantor and to The Winston-Salem Foundation. Thereafter, the Foundation Committee shall have the power to appoint a successor Trustee clothed with all the powers of the original Trustee.

IN WITNESS WHEREOF, the Grantor has signed this Agreement; and the Trustee, in acceptance of the trust hereby created, has caused this Agreement to be signed by its President and attested by one of its

Assistant Secretaries and its corporate seal to be affixed, all as of the date first above written.

Grantor

The Winston-Salem Foundation, Inc.,
Trustee for The Winston-Salem Foundation

By: _____
President

ATTEST:

Assistant Secretary
[CORPORATE SEAL]

SCHEDULE A

The Winston-Salem Foundation, Inc., Trustee for the Winston-Salem Foundation, acknowledges receipt of the following described monies and/or securities which are to be held by it in trust for the purposes set forth in the foregoing Agreement, of which this Schedule is specifically made a part:

The Winston-Salem Foundation, Inc.,
Trustee For The Winston-Salem Foundation

By: _____
President

ATTEST:

Assistant Secretary
[CORPORATE SEAL]