



The Advise Us Fund Practices and Documents for Third Party Financial Professional Management

WHEREAS, The Advise Us Fund (hereinafter referred to as “TAUF”) is an Illinois not for profit corporation, which has been recognized by the Internal Revenue Service, as operating exclusively for charitable, religious, educational, and scientific purposes as set forth in Section 501(c)(3) of the Internal Revenue Code; and

WHEREAS, TAUF seeks to stimulate charitable giving by donors and promote effective philanthropy by making gifts and grants to other charitable beneficiaries selected by TAUF’s Board of Directors, based upon donor recommendations and gift planning; and

WHEREAS, TAUF believes that expert independent advice and efficient giving techniques maximize the impact of philanthropy. To facilitate, support, and increase charitable change, we educate donors about planned giving and donor advised funds, collaborating with donors, financial professionals and providing guidance and options for their charitable legacies. Recognizing that deserving charities come in all sizes and that many would like to offer more options to their donors, we also provide expertise to smaller nonprofit organizations that otherwise could not afford to offer quality planned giving programs. TAUF takes donors’ advice seriously and uses its expertise to implement their goals and maximize the impact of giving through efficient planning. Our donorcentric philosophy incorporates the importance of successfully partnering with donors’ and charities’ trusted third party financial professionals.

NOW, THEREFORE, TAUF does set forth these Guidelines, Documents and Policies for establishing investment accounts for advised funds with Third Party Financial Professionals (hereinafter referred to as “TPFP”) investment, giving and the operation of its giving, investment, and donor advised funds programs.

1. *Eligible Entities.* Individuals, for-profit corporations and non-profit corporations, in accordance with these practices, may elect to recommend the use of a third party financial professional to manage their account.
2. *Separate Agreement.* The agreement with the TPFP is a separate agreement that is incorporated by reference into a fund agreement and is unique to the fund referenced.
3. *Acceptance of Readily Marketable Securities.* At the point the TPFP receives readily marketable securities into the account of TAUF, it is doing so as the agent of TAUF. Therefore, it is obligated to immediately electronically notify TAUF of the initial (or subsequent) assets as it is the policy of TAUF to immediately liquidate known gifts. The charitable deduction for readily marketable publicly traded securities shall be the mean of the high and low traded prices for the security on the day that TAUF received control of the asset.

4. *Minimum Contribution and Balance.* The required minimum balance of an advised account is one-hundred thousand dollars (\$100,000).
5. *Balances Below the Minimum.* The Investment Committee of TAUF may recommend to the Board of Directors of TAUF to transfer assets that fall below the one-hundred thousand dollars (\$100,000) for four (4) consecutive quarters from the TFPF to TAUF pooled investment profile in the fund agreement and the Board of Directors of TAUF may, upon said recommendation, may transfer assets that fall below the one-hundred thousand dollars (\$100,000) for four (4) consecutive quarters from the TFPF to TAUF pooled investment profile in the fund agreement.
6. *TAUF Retains Sole Control of Account and Assets* TFPF is accountable solely to TAUF and the TFPF is acting as TAUF's agent in this relationship. Therefore, the TFPF must consider the sole interests of TAUF and may not make management decisions that favor the interests of the donor to the detriment of TAUF. TFPF can only take instructions from TAUF and cannot take instructions from the donor.
7. *TAUF Right to Terminate* TAUF retains the right to terminate the relationship at any time and at its sole discretion.
8. *Board of Directors Responsibility.* The ultimate investment and management responsibility of all funds, including those managed by TFPF reside with the Board of Directors of TAUF. The board of Directors of TAUF may, as appropriate, delegate this responsibility.
9. *TFPF Conflict of Interest.* The TFPF cannot be associated with the donor(s) establishing the fund with TAUF by either: 1. Being a member of the family of the donor(s) or married to a member of the family of the donor(s); or 2. Being a thirty-five percent (35%) or greater owner in the legal entity (or associated management/custodial entity) that is the investment manager.
10. *TFPF Insurance and Bonding.* TFPF are required to be covered by liability and fiduciary insurance as required by applicable law and regulatory agencies. TFPF are required to have their employees bonded as required by applicable law and regulatory agencies.
11. *TFPF Communication.* The TFPF is required to communicate with the appointed representative of the Investment Committee of TAUF. TFPF will keep the Committee informed of major changes in its investment outlook, investment strategy, asset allocation, and other matters affecting its investment policies or philosophy. TFPF will inform the Committee of any significant changes in the ownership, organizational structure, financial condition, or senior staffing of its legal entity, the custodian of funds or clearing house. Whenever the TFPF believes that any particular guideline should be altered or deleted, it will be the TFPF's responsibility to initiate written communications with the Committee expressing its views and recommendations.
12. *TFPF Statements.* The TFPF must provide TAUF with statements of monthly consolidated activity within ten (10) days of the close of the month. Statements should be sent to: Investment Committee, The Advise Us Fund, 715 Lake Street, Suite 418, Oak Park, Illinois 60301. The TFPF shall also provide electronic access to information.
13. *TFPF Investment Fees and TAUF Administrative Fees.* All fees (advisory, management or otherwise) charged by the TFPF or the underlying investment must be disclosed. The TFPF must offer comparable fees with other investment providers a similar size (TAUF has the right to make the final determination) and any applicable discounts the TFPF or its organization would offer any

client with a similar size account or relationship. TAUF will take a quarterly administrative fee as per the fund agreement from the money market assets of the investment account.

14. *TPFP Performance Evaluation.* In addition to normal communication, the TPFP must submit annual performance results to TAUF, including a self-evaluation of performance compared to applicable stated benchmark by class. The TPFP will meet annually with a TAUF staff member to review the performance of the account where a specific written annual review of the account will be presented to TAUF which specifically references this requirement. In addition to the monthly statements, the TPFP must provide the Investment Committee of TAUF with annual statements within 30 (thirty) days of the end of the calendar year. The consolidated annual statements should show: 1. the investment strategy with which the account complies; 2. the consolidated return of the account's investments for the calendar year; and 3. fees attributable to the investment of the account for the calendar year. The TPFP will certify annually that that the account is being managed in compliance with TAUF's Practices and Documents for Third Party Financial Professional Management.

15. *Fund Annual Distributions/Rebalancing.* The fund advisor recommends to TAUF an estimate how much cash will be needed to support annual grants from the account. The recommended allocation amount will be transferred from the account with the TPFP to the donor's fund in order to facilitate donor grant recommendations in a timely fashion. The TPFP shall rebalance the funds on a semi-annual basis leaving the cash account no less than 50 basis points of the current value of overall account.

16. *TAUF Giving and Investment Practices Prevail.* These guidelines are in addition to any applicable sections of the TAUF Giving and Investment Practices. If there is a conflict between these practices, the Giving and Investment Practices shall prevail.

17. *Asset Allocation.* TAUF seeks to fulfill its mission of maximizing donors' charitable intent by allocating assets in a manner consistent with this guideline. The following asset allocation is the benchmark for TPFP managed investment. And, while the chart below reflects the standard asset allocation guidelines, TAUF recognizes there may be circumstances where parties may desire allocations substantially outside these guidelines. In these occurrences, the Investment Committee of TAUF will review and approve such exceptions on a case by case basis. TAUF will not invest in extremely sophisticated investment vehicles including, but not limited to, private equity, hedge funds and derivatives.

Asset Class	Target Allocation	Percentage Range	Benchmark Indexes
Equities	75%	50-75%	
Large Cap Domestic	40%	25-45%	S&P 500
Small Cap Domestic	20%	0-30%	Russell 3000
International	10%	0-15%	MSCI EAFE
Social	5%	0-15%	MSCI KLD 400 Social
Fixed Income	20%	20-45%	
Aggregate Bond	12%	10-30%	Barclay Capital Aggregate Bond Index
Short Term U.S. Treasury	8%	5-25%	Barclay Short Treasury Bond Index
Money Market	5%	5-10%	U.S. Treasury Bills (90 Day)

By signing below, the undersigned parties acknowledge that they have reviewed the above stated practices and, in exchange for the benefits they receive by these practices, agree to be bound by them:

Donor:

Signature

Printed Name

Date:

Third Party Financial Professional:

Signature

Printed Name

Legal Name of Custodian Organization

Date:

The Advise Us Fund:

Signature

Printed Name

Date:

Donor Request for Third Party Investment Professional Management

Investment Committee
The Advise Us Fund
715 Lake Street, Suite 418
Oak Park, IL 60301

It is my request that the _____ Fund at The Advise Us Fund have its' assets be invested with the following organization/person:

Investment Firm _____

Investment Manager _____

Investment Manager Phone _____

I affirm (a) that neither this investment manager nor any member of his or her family is a member of my family or is a family member of any person that I have designated or appointed to have advisory privileges with respect to the _____ Fund (a "donor advisor"); and (b) that this investment firm is not an entity owned more than 35% by me, a donor advisor, or our family members.

I understand that this investment manager will take instruction only from authorized employees of the The Advise Us Fund in the management of this account. I acknowledge that the _____ account is owned and controlled by The Advise Us Fund, and that The Advise Us Fund reserves the right to replace this investment manager at any time.

I also understand that the _____ Fund at The Advise Us Fund will be charged _____ percent by the above investment manager's firm, in addition to any underlying management fees in the investment assets and any administrative fees charged by The Advise Us Fund.

Sincerely,

Signature/Donor's Printed Name/Date