

**THE JAMES E. DOAN AND BARBARA M. DOANE  
ENDOWMENT FUND OF THE  
DOANE FAMILY FOUNDATION, INC.**

**PURPOSE**

The Permanent Endowment Fund of the Doane Family Foundation, Inc. a Nebraska Corporation, hereafter referred to as the "Endowment Fund," is established for the purpose of providing friends of the Doane Family Foundation, Inc., hereafter referred to as the "Foundation", the opportunity to make charitable gifts to the Foundation that will become a permanent endowment of financial support.

The Endowment Fund shall be subject to the laws of the State of Nebraska

The purpose of the Endowment Fund is to provide tuition aid for post-secondary school education of undergraduate students qualifying under the terms set forth by the Foundation. The Foundation will select the scholarship recipient(s) using the Foundation application process.

The earnings of the Endowment Fund may be accumulated over time and will be used exclusively for tuition aid for post-secondary school undergraduate education purposes.

**ADMINISTRATION**

1. The Foundation shall administer the Fund in accordance with the terms of this Agreement, under and subject to the Foundation's governing instruments, as amended from time to time. The Fund, and distributions from the Fund, shall be subject to the ultimate control and absolute discretion of the Foundation.
2. The Endowment Fund is intended to be a component part of the Foundation.
3. The earnings of the Endowment Fund will be used exclusively for the support of the post-secondary scholarship program of the Doane Family Foundation, Inc.
4. The Board of Directors of the Foundation shall determine the amount available for the awarding of scholarships with a guideline of up to 5% of the average of the prior three-years ending balances on December 31.
5. An administration fee of up to 1.5% may be charged.
6. Any excess earnings are to be reinvested to augment the Endowment Fund and to compensate for inflation and recessions in future years.

### **INVESTMENT OF ENDOWMENT FUNDS**

The Endowment Fund is required to place funds in reasonable, prudent investments as determined by the Foundation. The Endowment Fund's investment objectives are:

1. Regular income at a reasonable rate.
2. Reasonable and adequate growth of principal while not incurring significant risk to the principal.

### **LIMITATIONS ON USE OF PRINCIPAL**

The objective of the Endowment Fund is to preserve the principal and use only some of the income, dividends, and some capital appreciation. Any part or all of the principal may be withdrawn only in extreme and overwhelming circumstances, bordering on the survival of the Foundation itself. Any withdrawal of principal must be approved by a majority vote of the Foundation at which a quorum is present.

### **DISTRIBUTIONS**

The Fund shall be endowed, and the Foundation will make an annual distribution from the Endowment Fund calculated in accordance with the Foundation's governing documents as determined from time to time by the Foundation's Board of Directors. This distribution includes any distribution for scholarships and the Foundation's administrative fee.

If the Endowment Fund balance has not reached the Minimum Distribution Level of \$50,000.00, only the administrative fee shall be distributed from the Endowment Fund.

All Endowment Fund distributions will be made by the Board of Directors of the Foundation.

### **GIFTS TO THE FUND**

1. Donors may make gifts or bequests to the Endowment Fund. All gifts may be used as directed by the Foundation Board of Governors.
2. Gifts to the Endowment Fund may be in the form of cash, non-cash assets including publicly-traded securities, non-publicly traded securities and property.
3. All provisions of the Endowment Fund as to investment of funds, administration of funds, and limitations of the use of funds shall be applicable, and all gifts shall be made to the Endowment Fund are accepted subject to the terms and limitations set herein.
4. Gifts to this Fund are irrevocable.

#### **DEFINITIONS**

1. Principal is defined as the sum of all donations and any excess earnings reinvested.
2. Earnings is defined as the difference between the Current Value of the Endowment Fund and the Principal.

#### **LIABILITY**

In the absence of gross negligence or fraud, no member of the Doane Family Foundation, Inc. Board of Directors shall be personally liable for any action made or omission with respect to the Endowment Fund.

#### **DISSOLUTION OF THE ENDOWMENT FUND**

If at any time the Doane Family Foundation, Inc. Endowment Fund should ever be dissolved without any lawful successor thereto, the Endowment Fund, including both principal, interest, dividends and increase in value to date of dissolution, shall be transferred to the Doane Family Foundation Endowment Fund administered through the Doane University Endowment Fund by Doane University 1014 Boswell Avenue, Crete, Nebraska 68333.

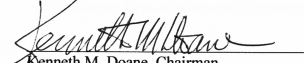
#### **AMENDMENTS**

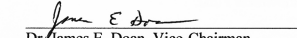
The terms and conditions of the Endowment Fund may be amended only by a majority vote of the Board of Directors of the Foundation at a duly announced meeting of the Board of Directors of the Foundation at which a quorum is present. In addition, for the purpose of ensuring that the Endowment Fund qualifies as a component part of the Foundation for federal tax purposes, the Foundation acting alone shall have the power to modify the terms of this Document.

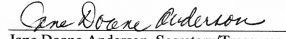
**SEVERABILITY**


If any provisions or any application of any provisions of this program shall be held or deemed to be or shall be illegal, inoperative, or unenforceable, the same shall not affect any other provisions or any application of any provisions herein contained or render the same invalid, inoperative or unenforceable.


SIGNED THIS 26<sup>TH</sup> Day of AUGUST, 2016, by the Officers and Directors of the Doane Family Foundation, Inc.

  
Kenneth M. Doane, Chairman

  
Dr. James E. Doan, Vice-Chairman

  
Jane Doane Anderson, Secretary/Treasurer

  
James Thomas Doane, Director

  
Dr. H. Gacque Carter, Executive Director