

EVERYLIBRARY
Donation Fund Agreement

THIS AGREEMENT, made and entered into on 12/30/2022, between EveryLibrary Institute, NFP (hereinafter referred to as "Sponsor") and Patmos Library (hereinafter referred to as "Sponsored Organization").

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WITNESSETH:

WHEREAS, various individual and institutional donors have desired to raise money or donate money indirectly to the Sponsored Organization;

WHEREAS, various individual and institutional donors have desired to support the Patmos Public Library but not provide a direct donation to the Library;

WHEREAS, the Patmos Library desires to create a fund ("Fund") administered through a qualified Sponsor to manage and maintain any such made indirectly to benefit the Library;

WHEREAS, the creators of the GoFundMe Account desired to create a fund for the benefit of the Patmos Library but administered through the Sponsor ("Fund");

WHEREAS, the Sponsor is a non-profit corporation exempt from taxation under Internal Revenue Code ("Code") Section 501(c)(3) and therefore is an appropriate institution to assist the Sponsored Organization through the administration of the Fund; and

WHEREAS, the Sponsor is willing and able to create such a Fund, subject to the terms and conditions hereof;

THEREFORE, the parties agree as follows:

GENERAL PROVISIONS:

1. **Establishment of Fund.** A Fund is hereby established with the Sponsor, which shall be known as the Patmos Library Fund ("Fund"), to receive gifts, donations, and other bequests, and to administer the same.
2. **Purpose.** The primary purpose of the Fund shall be to support the operation of the Sponsored Organization as a public library and consistent with Michigan law.
3. **Gifts.** Donors have transferred irrevocably to the Sponsor the property described in the attached Exhibit A to establish the Fund.

4. **Distribution.** Distributions from the Fund shall be committed, granted, or expended in accordance with the internal policies of the Sponsor, with the rules and regulations under Section 170(c) of the Internal Revenue Code, and with Michigan law for public library purposes. Distributions shall be made at least annually, or on a schedule to which the Parties may from time to time agree. No distribution shall be made from the Fund to any individual or entity if such distribution will in the judgment of the Sponsor endanger the Sponsor's Code Section 501(c)(3) status. Distributions may only be made to the Sponsored Organization.

5. **Library Advisory Function.** The Sponsored Organization shall make distribution recommendations to the Sponsor by resolution of the Sponsored Organization's Board. At such time as the Library Board ceases providing distribution instructions, the Sponsor may still make distributions to the Sponsored Organization in accordance with its policies. If the Sponsored Organization requests in writing the termination of the Fund, the remaining assets of the Fund may be distributed to the Sponsored Organization or to an organization designated by the Sponsored Organization, subject to the approval of the Sponsor in the Sponsor's sole discretion.

6. **Administrative Provisions.**
 - a. Notwithstanding anything herein to the contrary, the Sponsor shall hold the Fund, and all contributions to the Fund, subject to the provisions of the applicable state and federal laws; and the Sponsor's Bylaws, policies, trust agreement, or any similar governing documents
 - b. The Fund shall be a component part of the Sponsor. All money and property in the Fund shall be held in a segregated account.
 - c. The receipts and disbursements of this Fund shall be accounted for separately and apart from those of other gifts.
 - d. The Sponsor shall have all powers necessary, or in its sole discretion desirable, to carry out the purposes of the Fund, including, but not limited to, the power to retain, invest and reinvest the Fund and the power to commingle the assets of the Fund with those of other funds for investment purposes.
 - e. It is understood and agreed that the Fund shall share a fair portion of the total investment and administrative costs of the Sponsor. Those costs charged against the Fund shall be determined by the Sponsor each year. Any costs to the Sponsor in accepting, transferring, managing or through

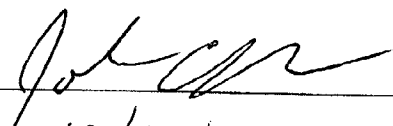
legal representation of the property donated to the Sponsor for the Fund shall be paid from the Fund.

- f. The Sponsor and the Sponsored Organization will reflect the activities of the Agreement, to the extent required, on their state and federal government tax returns and financial reports. The Sponsored Organization will provide the Sponsor with proper documentation to accomplish this, including furnishing the Sponsor with the Sponsored Organization's Federal Employer Identification Number.
- g. The Sponsor and Sponsored Organization will maintain all financial records relating to the Fund according to generally accepted accounting principles, retain records as long as required by law in the State of Michigan and make records available to auditors as required by law.
- h. The Sponsored Organization shall not use funds to attempt to influence legislation or participate or intervene in any political campaign on behalf or in opposition to any candidate for public office or otherwise engage in the carrying on of propaganda (within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986).

10. Termination. This agreement will terminate upon 60 days' written notice by either party. Upon termination, all funds in the Fund shall be transferred to the general fund of the Sponsored Organization.

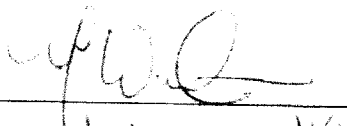
IN WITNESS WHEREOF, the Parties caused this Agreement to be executed by a duly authorized officer, all as of the day and year first written above.

EveryLibrary Institute, NFP

By: 
12/30/22

By: John Christa
Executive Director

Patmos Library

By:  12/30/22
LAWRENCE WALTON
BOARD TRUSTEE - PRESIDENT

By: _____