

## DESIGNATED FUND AGREEMENT

THIS FUND AGREEMENT ("Agreement") is made on March 7, 2018, between Superior Health Foundation, a Michigan nonprofit corporation ("Foundation"), and Medical Care Access Coalition, Inc., a Michigan nonprofit corporation ("Donor"), to establish a designated endowed fund of the Foundation.

### RECITALS

- A. Donor has a fund of approximately One Million Two Hundred and Fifty Thousand Dollars (\$1,250,000.00) to be used for the medical care of indigent residents of Michigan's Upper Peninsula (the "Gift").
- B. Donor seeks a partner foundation to hold, manage and disburse the Gift.
- C. Donor has selected Foundation to hold, manage and disburse the Gift, and Foundation has agreed in principle to do so.
- D. Donor and Foundation now wish to document their agreement.

Now Therefore, Donor and Foundation agree as follows:

**1. Creation of the Fund.** Donor will contribute funds) to Foundation to create the Indigent Care Fund (the "Fund"). The parties anticipate the contributed funds from Donor will be approximately One Million Two Hundred Thousand and 00/100 Dollars (\$1,200,000.00), but such amount may vary depending on available resources from Donor. Any other person or organization may make a subsequent contribution to Foundation for the Fund. All contributions to the Fund shall be administered pursuant to the terms and conditions of this agreement. The Fund shall be held by Foundation.

**2. Purpose and Use of the Fund.** The purpose of the Fund is to meet the otherwise unmet medical needs of indigent residents of Michigan's Upper Peninsula, pursuant to the Foundation's Indigent Care Fund Spending Policy ("Spending Policy"), The initial Spending Policy is Exhibit A, and may be revised from time-to-time and approved annually by the Foundation's Board of Directors.

In the event that it becomes impractical or impossible to utilize funds for the unmet medical needs of indigent residents of Michigan's Upper Peninsula, the Foundation shall have the right to utilize the Fund for charitable purposes consistent with the Foundation's mission.

### **3. Administration.**

(a) 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, and in accordance with the Spending Policy, including

charges for Foundation services. The Fund, and distributions from the Fund, shall be subject to the Foundation's ultimate control and absolute discretion.

(b) The Fund will be allocated and charged an annual administrative fee consistent with the Foundation's standard cost allocation processes.

(c) It is intended that the Fund shall be a "component part" of the Foundation.

(d) No distribution shall be made from the Fund directly to an individual or for the benefit of a specified individual.

(e) Any recipient of benefits from the Fund shall be advised that such benefits are from the Fund.

(f) Charges shall be assessed against the Fund consistent with the charges assessed from time to time against similar funds of the Foundation. All charges directly attributable to the Fund shall solely be assessed to the Fund, including but not limited to, fees from the Foundation's investment management company for the creation and maintenance of the Fund.

**4. Investment Strategy.** Subject to all state and federal applicable law, the Fund will be invested at the sole discretion of Foundation and consistent with the other investment strategies of the Foundation's investment funds. While not restricting the foregoing, the Foundation's goals for the Fund's investments will be to:

(a) Meet payout requirements as established by the Board of Directors in the Spending Policy.

(b) Provide sufficient liquidity to meet distribution requirements.

(c) Earn competitive returns relative to capital market measures, including broad-market indices, as well as funds with similar objectives.

**5. Gift Irrevocable; Limited Power of Amendment.** Gifts to this Fund are irrevocable. The parties or authorized representatives may amend this Agreement by mutual written consent. In addition, for the sole purpose of ensuring that the 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 Agreement.

**6. Controlling Law.** This agreement shall be governed by the laws of the State of Michigan.

***[Signature Page to Follow]***

IN WITNESS WHEREOF, Donor and Foundation have executed this Agreement as of the date first written above.

**DONOR**

Medical Care Access Coalition, Inc.

\_\_\_\_\_  
By:  
Its:

**FOUNDATION**

Superior Health Foundation

\_\_\_\_\_  
By:  
Its:

**EXHIBIT A**

***[See Attached]***