RICHMOND JEWISH FOUNDATION

DONOR ADVISED FUNDS POLICY

Approved by the Board of Directors February 16, 2009
Amended September 16, 2010
Amended June 17, 2011
Amended September 20, 2012
Amended June 18, 2020

SECTION 1: ESTABLISHMENT AND PURPOSE

1.1 Policy. This Donor Advised Fund Policy may be called the "Policy."

1.2 Application. This Policy applies to all Donor Advised Funds (hereinafter referred to as "DAFs") held by the Richmond Jewish Foundation (hereinafter referred to as the "Foundation"), including those referred to in their documentation as Philanthropic Funds, as well as those DAFs established at the Foundation in the future.

1.3 Authorization. The Foundation has authorized the establishment of DAFs as component funds of the Foundation and has deemed it as necessary and appropriate to provide procedures and policies for the establishment and administration of such funds.

1.4 Establishment of Donor Advised Funds. DAFs may be established by the transfer, whether by contribution, gift, bequest, devise, or other method of transfer, (hereinafter referred to as a "Contribution") from one or more persons or organizations (hereinafter referred to as "Donors") to, and acceptance by, the Foundation. DAFs are and shall be administered as part of the Foundation.

1.5 Purpose. These procedures recognize that the particular goals of the Foundation's DAFs are to develop support for, and participation and involvement in, the Foundation's philanthropic interests and activities and to support and encourage philanthropy and engagement in the Jewish community defined broadly. DAFs broaden the base of Foundation endowment support, encourage meaningful interchange of ideas by the Donors' philanthropic interests, increase Jewish philanthropy generally, and provide funds to support the Foundation's purposes, programs and interests.

1.6 Nature and Terms of Funds. Each DAF shall be the property of the Foundation, held in its normal corporate capacity, and shall not be deemed a trust fund held by the Foundation in a trustee capacity. The Foundation, in its normal corporate capacity, shall have exclusive legal control of all property in the DAF and the income derived therefrom. Each DAF shall be recorded on the books and records of the Foundation as an identifiable or separate fund and may be given the name or other designation requested by the Donors.

SECTION 2: ACCEPTANCE OF FUNDS

2.1 Authorization. The Directors of the Foundation have adopted a Gift Acceptance Policy governing the acceptance of gifts.

2.2 Value. The minimum amount required for the establishment of a DAF is five thousand dollars ($5,000) which may be payable over a three-year period (the "Minimum Establishment Balance").

2.3 Acknowledgement of Procedures. The Foundation shall provide prospective Donors with a copy of this Policy. Donors must acknowledge, in their DAF Agreement with the Foundation, that they have received a copy of the Policy and understand that the Policy, as it exists at that time and as it may be modified from time to time, will be applicable to their DAF.

2.4 Power to Modify Donor Advised Funds. If, by reason of changed circumstances, any restriction or condition provided by the Donors and their DAF Agreement becomes, in the judgment of the Foundation's Board of Directors (the "Directors"), incapable of fulfillment, inconsistent with the maintenance of the tax status of the gift, the DAF, or the Foundation; or inconsistent with the Foundation's purposes, the Foundation's Directors shall have the power to modify such restriction or condition to provide for a use as similar to the purpose of the original gift as the Directors determine is feasible under the circumstances. The Directors shall take such action only to the extent allowed by applicable law and after giving reasonable opportunity to the Donors or, if the Donors are not available and the Fund has a successor DAF Advisor, the successor DAF Advisor, to make a recommendation with respect to the matter. The Foundation may also determine, in its sole discretion, to alter a restriction on a DAF upon receipt of a written request of the Donors or, if the Donors are not available and the Fund has successor DAF Advisors, the successor DAF Advisor.

SECTION 3: INVESTMENT OF DONOR ADVISED FUND ASSETS

3.1 Responsibility and Policy. The Foundation has the sole responsibility and authority for the investment of the assets of each DAF. The Foundation shall invest DAF assets in a manner consistent with the investment procedures described in the Richmond Jewish Foundation Investment Policy. The Foundation shall dispose of any "excess business holdings" which would be subject to penalties under section 4943(e), or any successor provision, of the Internal Revenue Code.

3.2 Application of Proceeds. The Foundation shall add any proceeds from the investment of the assets of a DAF to the assets of the DAF and such proceeds shall be available for distribution.

SECTION 4: DISTRIBUTIONS FROM THE FUND

4.1 In General. The Directors have the right to direct and have the responsibility to control all distributions of DAF income and/or principal.

4.2 Donors and Their Designees Accorded the Privilege of Making Recommendations. Donors may, after the Contribution, recommend to the Foundation that the DAF make distributions which are consistent with the Foundation's purposes. The Foundation shall consider and evaluate all such recommendations, but such recommendations will be advisory only and the Foundation shall not be bound by such recommendations.

a. Limitation. The Donors' privilege of making recommendations shall be subject to the following limitation: except as provided below, only the Donor will have the privilege of making such recommendations. Such privilege will continue during the existence of the DAF unless terminated earlier by (i) the death of the Donor; (ii) written notice to the Foundation of relinquishment of the privilege; or (iii) a finding by the Foundation Directors that the Donor is not available or is incompetent to exercise the privilege.

b. Designations. Donors may designate additional parties to have the privilege of making recommendations for distributions from their DAF as follows:

i. Spouse. A Donor may designate that his or her spouse (the "Spouse") may exercise the privilege of making recommendations during the Donor's lifetime and/or after the Donor is deceased. Such designation shall be made directly to the Foundation, in writing, while the Donor is competent to do so, and a Power of Attorney shall not suffice as effective designation unless specified in the DAF Agreement. Such privilege will continue during the existence of the DAF unless terminated earlier by (i) the death of the Spouse; (ii) written notice of termination of the designation by the Donor; (iii) written notice to the Foundation of relinquishment of the privilege by the Spouse; or (iv) a finding by the Foundation Directors that the spouse is not available or is incompetent to exercise the privilege.

ii. Children. A Donor may designate in writing that his or her children (and children's spouses, if requested) (the "Children") may exercise the privilege of making recommendations during the Donor's lifetime, after the Donor is deceased, during the Spouse's lifetime, and/or after the Spouse is deceased. Such designation shall be made directly to the Foundation, in writing, while the Donor is competent to do so, and a Power of Attorney shall not suffice as effective designation unless specified in the DAF Agreement. Such privilege will continue, with respect to each of the individually designated Children, during the existence of the DAF unless terminated earlier by (i) the death of the individually designated Children; (ii) written notice of termination of the designation by the Donor; (iii) written notice to the Foundation of relinquishment of the privilege by the individually designated Children; or (iv) a finding by the Foundation Directors that the individually designated Children are not available or are incompetent to exercise the privilege.

iii. Additional Advisors. A Donor may designate in writing that a person or people other than, or in addition to, the Donor, his or her spouse, his or her children, or his or her children's spouses may exercise the privilege of making recommendations (the "Additional Advisors"). Notwithstanding any provision of this Policy to the contrary, such an Additional Advisor shall only remain an Additional Advisor for a period of time that must be set forth in the DAF Agreement

Donors, Spouses, Children, and Additional Advisors who have the privilege of making recommendations for distributions from the DAF will be called "DAF Advisors".

c. Limitation on Making Recommendations. DAF Advisors that are not individuals or trusts in which the grantor is not the trustee will have the privilege of making recommendations for a period of time defined in the DAF Agreement (e.g., not to exceed 15 years from the date of the establishment of the Fund).

4.3 Spending Rules for Donor Advised Funds. Donors may establish DAFs as Principal and Income Funds or as Spending Rule Funds or with other spending rules that are mutually agreed upon by the Donor and the Foundation in the DAF Agreement.

a. Principal and Income Funds. DAF Advisors of Principal and Income Funds may recommend distributions from both the principal and income of a DAF. However, the DAF must maintain a one thousand dollar ($1,000) minimum maintenance balance, unless otherwise provided for in the applicable DAF Agreement, subject to a twelve-month lapse as discussed in Section 4.4, below. In addition, the DAF Agreement must provide that the DAF's assets will be gifted to the Foundation's Genesis Fund, or other permanent endowment at the Foundation, no later than after the last of the lives of the DAF Advisors.

b. Spending Rule Funds. Spending Rule Funds are permanent endowments. At the end of each fiscal year, the Foundation will apply the Spending Rule, as defined by the Foundation Directors through majority vote or the establishment of a Foundation Spending Policy, to the amount in a Spending Rule Fund to determine the DAF's spendable balance for the next fiscal year. The DAF Advisors may make recommendations for distributions from a Spending Rule Fund for distributions of that spendable balance during that fiscal year.

c. New Funds' Spending Rule. If a Spending Rule Fund is too new to apply the Spending Rule (for example, if the Spending Rule is based on a rolling twelve quarter average, and the Fund has not existed for twelve quarters), the Spending Rule percentage will be applied to the amount in the Fund at the later of (1) the date the Fund is established or (2) the end of the most recent fiscal year to determine the amount from which Advisors may recommend distributions until the next fiscal year end.

4.4 Limitations. The following limitations apply to all distributions from any DAF:

a. The minimum amount of any one distribution from a DAF shall be one hundred dollars ($100).

b. The Foundation will only make distributions from a DAF that are consistent with the Foundation's purposes.

c. The Foundation will only make distributions to organizations established under State or Federal law which are exempt from Federal Income taxation under Internal Revenue Code section 501(a) as organizations described in Internal Revenue Code section 501(c)(3).

d. A DAF may not make a distribution that would result in the receipt of a more than incidental benefit, or provide a grant, loan, compensation, expense reimbursement, or similar payment to any disqualified person, as defined in Internal Revenue Code section 4943(f)(4)

or any successor provision, with respect to the DAF (a "Disqualified Person"). Impermissible benefits include, but are not limited to tuition, admission to an event, meals, and other pledges and/or obligations of a disqualified person.

e. A DAF may not make a distribution that would result in the value of the assets held by the DAF falling below one thousand dollars ($1,000) (the "Minimum Maintenance Balance") unless the DAF Advisor pledges to make a contribution to the DAF so as to restore the balance above the Minimum Maintenance Balance within 12 months.

f. A DAF may not make a distribution until such a time as the value of assets held by the DAF meets or exceeds the Minimum Maintenance Balance.

g. The DAF Advisors of a DAF used to make scholarship distributions shall not advise the DAF regarding individuals receiving awards and shall not serve on any committee determining same.

h. A DAF shall not make a distribution to a supporting organization unless it is determined that (1) the prospective supporting organization is a Type I, Type II or functionally integrated Type III supporting organization, as defined in the Internal Revenue Code Section 509(a)(3), or any successor provision and (2) no Disqualified Person with respect to the DAF directly or indirectly controls any supported organization of such supporting organization.

i. Notwithstanding any provision of this policy to the contrary, a DAF may make grants to foreign organizations if, and only if, either (1) the foreign organizations provide the Foundation with a copy of a letter from the IRS classifying such foreign organization as an organization described in Internal Revenue Code Section 170(b)(1)(A) or an equivalency determination to that effect, or (2) the Foundation exercises "expenditure responsibility" as described in Treasury Regulation section 53.4945-5, or any successor provision, including the requirements that there be a pre-grant inquiry, a grant agreement, and grantee reports. In addition, and also notwithstanding any provision of this policy to the contrary, any such foreign grants must be made in an amount of five-hundred dollars ($500.00) or more and shall be submitted to the United Jewish Communities - United Israel Appeal operated Israel grant program or, if applicable and at the discretion of the Foundation staff, to another approved organization offering expenditure responsibility services of a similar kind and quality.

4.5 Procedures.

a. Recommendations by DAF Advisors. Recommendations for distributions must be in writing or by authorized electronic communication, addressed to the Foundation. Recommendations must indicate the name and address of the suggested recipient organization, the suggested amount to be distributed, and the DAF from which the distribution is suggested. Recommendations must certify that no tangible benefits, goods, or services (including any grant, loan, compensation, expense reimbursement or similar payment) are being received by the Donor, any individuals or entities related to the Donor or to the DAF, or any DAF Advisor.

b. Due Diligence. The Foundation shall investigate each recommendation and determine whether it is consistent with the purposes of the Foundation and whether the intended recipient qualifies for the distribution under this Policy. The Foundation shall also ensure that none of the Donor, individuals or entities related to the Donor or to the DAF, or any DAF Advisor will receive any impermissible benefits in exchange for recommending a distribution and that there is no material change of the charity's purpose involved. Where necessary for evaluation, the Foundation may request additional information or relevant documentation. The Foundation will check organizations against (i) IRS Publication 78 and the IRS Business Master File (BMF) extract to ensure that the organization has not had its public charity status revoked or suspended; and (ii) U.S. Department of Treasury's list of suspected terrorists' organizations. As is necessary for evaluation, RJF may request from each potential grantee the following documents which include but are not limited to:

- IRS determination letter
- Governing Board List
- IRS Form 990 and/or annual operating budget/cash flow projections
- Audited financial statements
- Signed Quid Pro Quo form (grantee acknowledges no goods or services were received in exchange for distributions)
- Annual report
- Other documents as requested

ln cases of religious organizations, rescue squads, governmental entities and other organizations for which the IRS does not require IRS determination of public charity status, RJF staff will request documentation either directly or through online resources to determine the organization's public purpose.

c. Recommendations for Distributions to Charitable Organizations. The Board has authorized the Foundation's President & CEO, or Chairman, to approve Distributions of amounts up to $50,000 to any charitable organization which has been qualified through RJF's Board-established policies and procedures of due diligence ("Distributions"). Distribution recommendations outside these limits require the additional concurrence of the RJF Grant's Committee.

d. Delivery of Distributions. The Foundation will deliver all distributions from DAFs. Distributions will not be made to the Advisors or other agent for further delivery.

e. Recommendations not Approved. If the Staff determines that approval of a recommendation for a distribution from a DAF would cause a violation of this Policy, it shall so inform the DAF Advisor and decline to make the distribution. If the DAF Advisor disagrees with Staff's assessment of the recommendation, the DAF Advisor may request further review by the Grants Committee.

f. Directors Action. Staff shall report regularly to the Directors on all approved and declined recommendations for distributions. If the Directors have a reasonable concern regarding one or more of the approved distributions, the recipient organization will be

placed on a restricted list and all future recommendations for distributions to that recipient will be forwarded to the Directors for approval or rejection.

g. Reports to Directors. The Staff will annually provide to the Directors a list of all organizations that received distributions from a DAF during the prior year.

4.6 Notification to Recipient of Source of Distribution. Any distribution from a DAF, unless otherwise requested by the Donor or DAF Advisor, shall identify to the recipient organization the name of the DAF from which the distribution is made.

4.7 Reports to Donors and DAF Advisors. The Foundation shall notify DAF Advisors who make distribution recommendations of the action taken on each recommendation. The Foundation shall send quarterly statements to all Donors and DAF Advisors reflecting all activity for the DAF with respect to which they are the Donors and/or the DAF Advisors.

4.8 Administrative Fees. The Directors shall, from time to time, set a fee structure for fees charged to DAFs.

4.9 Policy of Current Distribution.

a. General Rule. It is the general policy of the Foundation that it use the assets of DAFs to actively help the community, rather than to accumulate. The Foundation therefore encourages DAF Advisors to annually recommend distributions of an amount equal to the spendable balance (as measured by the Spending Rule defined by the Directors) of their DAFs. The Staff will work with DAF Advisors as needed to ensure that DAF Advisors remain engaged with philanthropy through the DAFs which they advise and make recommendations for distributions that keep the DAFs active. In unusual cases, when efforts by the Foundation do not engage DAF Advisors in making recommendations for distributions for seven or more years, and such is not contemplated by the DAF Agreement, the Foundation may add any undistributed spendable balance of the DAF to the Genesis Fund or another General Endowment Fund of and for the Foundation.

b. Exceptions. The earnings and growth of a DAF may be accumulated, in whole or in part, for a specific project or purpose (including the purpose of growing the Fund), if such project or purpose is designated in the DAF Agreement, or is specified by the Directors, and such accumulation is limited to a reasonable period of time (generally not to exceed seven years). Any such designation or specification shall be consistent with the purposes of the Foundation and shall be subject to the authority of the Foundation to modify it, as provided in the Operating Procedures of the Foundation.

4.10 Confidentiality of Fund Distributions. Unless otherwise authorized by the Donor or DAF Advisors, the Foundation will keep confidential information about which distributions were made from which DAFs.

SECTION 5: EDUCATIONAL PROGRAM

5.1 Annual Report. A report of all distributions from DAFs shall be included in the annual report of the Directors. Additional reports on DAFs may be made as prescribed by the Directors.

5.2 Education on Fund Procedures. The Foundation will educate Donors and DAF Advisors about the procedures, opportunities, and limitations of DAFs.

5.3 Education on Charitable Needs. The Foundation will, from time to time, seek to educate Donors and DAF Advisors about charitable needs in the Jewish community which are of particular interest to the Foundation. The Foundation will also seek to learn from Donors and DAF Advisors about their knowledge of charitable needs and effective programs in the Jewish community and otherwise, especially in the Richmond region.

5.4. Other Education. The Foundation will publicize its DAF program to Donors, DAF Advisors, and the community. This educational program may be part of the Foundation's effort to educate the public about building the Foundation and its resources, charitable needs in the Jewish community, and/or the advantages of charitable planning and giving.

5.5 Grant Making Support. The Staff will, to the extent that it has capacity, support DAF Advisors' interests in researching and evaluating options for charitable distributions or interests in engaging in a structured process of making grants.

SECTION 6: CONTINUITY OF FUNDS

6.1 In General. Upon the termination, by death or otherwise, of the privileges of all DAF Advisors with respect to a DAF, the remaining balance of the DAF shall continue as part of the Genesis Fund of Richmond Jewish Foundation or another permanent endowment fund of the Foundation.

6.2 Memorial Funds. If the principal of a DAF exceeds the sum of ten-thousand dollars ($10,000) when the privilege to make recommendations terminates, the DAF will continue, in the Foundation as an Endowment Fund identified as a memorial fund named for the Donor or for such other person or designation as the Donor may have requested. A Donor may, in the DAF agreement, recommend specific purposes, distributions to charities, or spending rules to apply to the DAF after termination of all the DAF Advisors' privileges if the remaining balance in the DAF is at least ten-thousand dollars ($10,000).