



**LEWY BODY DEMENTIA FUND
OF THE AMERICAN BRAIN FOUNDATION**

1. **GOAL.** Establishment of a Lewy Body Dementia Fund of the American Brain Foundation
2. **MOTION.** The ABF Board of Directors hereby authorizes and approves establishment of the Lewy Body Dementia Fund of the American Brain Foundation (hereinafter “LBDF”) whose purpose is funding research, education, advocacy, and service initiatives related to Lewy Body Dementia. The LBDF will be structured in alignment with the Foundation’s Gift Acceptance Policies, as delineated in item numbers 4-20 below.
3. **DISCUSSION.** As a result of its growing work in the area of Lewy Body Dementia, and of the public advocacy of one of our Board members, the ABF anticipates increasing opportunities to raise and grant funding for research and other initiatives related to the disease. Specifically, the ABF has:
 - Established three (3) new Clinical Research Training Scholarships in 2017
 - Designed a new \$5 Million research project award in Lewy Body Dementia diagnostics through a panel of experts convened by its Research Advisory Committee

Additionally, a member of the ABF Board of Directors, Susan Schneider Williams, is participating in a feature length documentary film on Lewy Body Dementia which will bring greater awareness to the disease.

The ABF needs a Named Fund—the Lewy Body Dementia Fund of the American Brain Foundation—through which donors can direct funding related to these and other LBD-related projects. For example, once established, the LBDF will be listed in the credits of the documentary film mentioned above as a place where people can make donations to help defeat LBD. As another example, donors to the ABF’s new \$5 M research project will be able to give their contributions into the LBDF.

4. **Donor Contributions.** Any individual or organization (each a “Donor”), at any time, with the consent of ABF, may make a charitable contribution to ABF designated to the Fund. Donor contributions will be absolute and irrevocable, and after making contributions Donors shall have no right, title or interest in the amounts transferred.
5. **Purpose of Fund.** Without limiting ABF’s authority over the Fund or ABF’s rights under this Agreement, the **purpose of distributions from the Fund shall be to annually fund research**, education, advocacy, and service initiatives related to Lewy Body Dementia. (the “Purpose”).
6. **Administration of Fund.** (a) ABF shall be the absolute and sole owner of all assets in the Fund and income derived from assets in the Fund; (b) the Fund shall be held and administered in accordance with ABF’s Articles of Incorporation, Bylaws, and other rules, regulations, and policies including,

without limitation, its grant guidelines and procedures, and investment policies, as the same may exist from time to time; (c) ABF will treat the Fund as a component part of ABF; and (d) this Agreement shall be operated in a manner consistent with the foregoing intention and to conform with the requirements of federal tax laws applicable to ABF.

- 7. Appointment of Advisors.** The ABF will appoint a “**Chair Advisor**” (the “Chair”), with the ability to submit grant recommendations for the Fund to ABF. The Chair will also have the ability to appoint individual members (“Advisors”) of an **advisory committee** (the “Committee”), which will review applications submitted by potential grant-recipients for consideration to receive a recommendation from the Chair, to receive grants from the Fund. ABF will collaborate with the Chair on the oversight of the functions of the Committee. Any grants for research must be approved by the Foundation’s Research Advisory Committee.

The initial Chair Advisor will be:

Name: Susan Schneider Williams

Address: 454 Las Gallinas Avenue, Suite 180, San Rafael, CA 94903

Phone: (415) 302-2857

- 8. Distributions and Advisor Recommendations.** Distributions from the net income or principal of the Fund shall be made at such times, in such amounts, in such ways, and for the Purpose as ABF shall determine, in its sole discretion; provided, however, that distributions from the Fund will always be used for the Purpose and reasonable related administrative costs.

The Chair Advisor, may submit advice or recommendations to ABF with respect to the distribution of income or principal of the Fund, including recommendations for research award recipients or grants to other organizations. ABF will give careful and thoughtful attention to all timely advice and recommendations; however, that such recommendations are advisory in nature, will not be binding upon ABF, and will not be the sole criteria used by ABF in determining whether and how to make distributions from the Fund. ABF’s Board of Directors retains the power to modify or eliminate any restriction, condition, or limitation on the distribution of income or principal of the Fund, if, in the sole judgement of such Board, such restriction, condition, or limitation becomes illegal, impracticable, or inconsistent with the charitable mission of ABF.

Before processing any grant, ABF reviews each recommendation to verify compliance with and ABF policies and IRS guidelines, including seeking clarification when there is a chance that the Chair or any Advisor may receive a personal benefit, and in order to ensure that recipient organizations are aligned with ABF’s charitable mission.

- 9. Minimum Balance; Dormancy Rule.** The LBDF will become active once an Initial Contribution of \$5,000 is made. A minimum balance may be required in order to make grant recommendations for the Fund and that after three (3) years of inactivity (i.e., no grant recommendations), the LBDF may be closed

and the balance transferred to the ABF Fund (the “Dormancy Rule”). The transfer to the ABF Fund as a result of the Dormancy Rule is irrevocable, and it is the sole responsibility of the Chair to ensure sufficient activity to prevent the transfer as a result of the Dormancy Rule.

Once an Initial Contribution is made, the Chair may begin making grant recommendations. However, the LBDF must maintain a minimum balance of \$1,000 in order to continue making grant recommendations (the “Minimum Balance”). In the event that the LBDF drops below the Minimum Balance, it will be subject to the Dormancy Rule described above

10. **Timing and Number of Grants.** Grants must be recommended at least thirty (30) days prior to the desired Grant Distribution Day in order to be processed and made timely. The Chair may recommend a maximum of ten (10) grants to be made in any quarter. ABF will review recommendations and respond within a reasonable time with any questions.
11. **Name and Recognition.** The name of the Fund is “The Lewy Body Dementia Fund of the American Brain Foundation”, which name has been deemed acceptable by ABF. Donors to the LBDF will be recognized in the ABF annual report and other publications in a manner reasonably requested by the Chair or LBDF donors. Donors may also be recognized in connection with specific grants, depending on prior agreement and naming opportunities with the ABF. ABF reserves the right to reject the particular manner of recognition requested in any instance and will contact the Chair in the event ABF disagrees with the manner of recognition requested to discuss reasonable alternatives. Any public recognition of the Fund shall be made without reference or categorization by the amount of donations to the Fund.
12. **Publicity.** ABF agrees to reasonably cooperate in publicly promoting requests for applications by the Committee, provided that the Chair provides ABF with timely and sufficient information regarding the request for the Application process. Any public announcements regarding grants made from the Fund or regarding requests for the Applications will be made in collaboration between ABF and the Chair.
13. **Term and Termination.** The Fund begins and may accept donations on the date this resolution is approved by the Board of Directors.
14. **Administrative Fees and Costs.** ABF charges fees, as outlined in its Gift Acceptance Policies to help cover the cost required to maintain LBDF operations, including:
 - Administrative fees which are deducted annually from ABF funds to help cover expenses such as grant making, recordkeeping, annual audits, tax filing, quarterly statements, and other legal and fiscal responsibilities. Fees are currently equal to the greater of 1% of the LBDF balance per year or \$250 per year.
 - Investment-related fees and expense deducted from ABF’s investment funds, which may or may not include any ABF oversight expenses or investment management fees, third-party investment advisor charges, mutual fund fees and expenses, consulting fees, custodial charges and/or trading costs.

15. **Investment Management.** To enhance efficiency and reduce the cost of operations, contributions to the LBDF are pooled with donations from other sources for investment management and administration purposes. Investments will be made at ABF's sole discretion. Donors should be mindful that investment markets are subject to volatility and possibly significant performance fluctuations. All investments are subject to market risk, including the possible loss of principal. Past performance is no guarantee of future results.
16. **Reporting.** ABF will prepare an accounting of the use of the Fund and a brief financial report annually for the Chair. In addition, ABF will require as a condition of its Fellowship grants interim and final research progress and financial reports from recipients, and ABF will provide the Chair with copies of such reports for informational purposes only, which the Chair will share with the Committee.
17. **Research Products.** The parties understand that recipients of grants from the LBDF may develop inventions, products, publications, processes, know-how, formulae, and the like, from the research funded by such grants, whether or not capable of protection under copyright, trade secret or patent protections (the "Research Products"). The Committee, Donors, and ABF will have no rights in or to the Research Products that are conceived or reduced to practice in the performance of grants from the LBDF, regardless of whether the invention is patented or copyrighted. To the extent reasonably practicable, ABF shall cause print and scientific publications and presentations generated as a result of a grant from the LBDF to acknowledge the support of LBDF donors. When possible, a copy of any such material shall be sent to the Chair for pre-approval.
18. **Representations and Warranties.** ABF represents that it has received a determination letter from the Internal Revenue Service to the effect that it is an organization described in Section 501(c)(3) of the Code and is not a private foundation. To the best knowledge of the officers and directors of ABF, this determination is in full force and effect and is not being reconsidered by the Internal Revenue Service with a view toward revocation. Except as stated in the preceding two sentences, ABF makes no representation or warranty concerning ABF's present or future tax status or the tax treatment of contributions to ABF.
19. **Amendment.** This Agreement may be amended only by a vote of the ABF Board of Directors.
20. **Governing Law.** This agreement will be governed and construed in accordance with the laws of Minnesota. Sole venue and jurisdiction for any proceedings under this agreement will be in Hennepin County, Minnesota.