

Charitable Gift Fund

The Policies and Procedures of the American Bar Endowment Charitable Gift Fund (the “Policies and Procedures”) give you detailed information about the ABE Charitable Gift Fund, Charitable Gift Accounts, and the Legal Legacy Fund. These Policies and Procedures are incorporated by reference into your application to establish a Charitable Gift Account and are subject to modification from time to time by ABE as may be required by law or regulation or as may be appropriate for the better operation of the ABE Charitable Gift Fund, as determined by ABE’s [Board of Directors](#). By submitting an [account application](#) and contributing assets to ABE for the Charitable Gift Fund, you accept the Policies and Procedures set out in this document, including revisions thereto subsequently approved by ABE’s Board of Directors.

1. The ABE Charitable Gift Fund

The American Bar Endowment (“ABE”)¹ is located at 321 North Clark Street, Chicago, IL 60654 and is an independent, non-governmental public charity² established to promote charitable, educational, literary, religious and scientific purposes, including the making of distributions to tax-exempt organizations. Within these broader purposes, ABE’s purposes in part are to advance legal study and research and to promote the administration of justice and uniformity of judicial decision throughout the United States. The ABE Charitable Gift Fund is a component of ABE, and has been established to increase charitable giving by providing useful information, unbiased guidance, and advantageous ways to give. These Policies and Procedures are designed to provide information regarding the ABE Charitable Gift Fund to Donors and other participants.

Participation in the ABE Charitable Gift Fund is subject to the provisions of ABE’s Articles of Incorporation, By-Laws and these Policies and Procedures. ABE reserves the right to modify the provisions of its Articles of Incorporation, its By-Laws or these Policies and Procedures at any time. ABE also reserves the right to transfer the assets held in the ABE Charitable Gift Fund to a separate legal entity if that is deemed appropriate by ABE’s Board of Directors. Such a separate entity must be one that is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and classified as a public charity under Section 509 of the Code and must be established to further the same tax-exempt purposes as those of ABE. ABE reserves the right to comply with any minimum distribution or other regulatory requirements that may be imposed by law or governmental regulation in the future.

[ABE’s Board of Directors](#) has full discretion over the ABE Charitable Gift Fund, its activities, and the investment of its assets. The members of ABE’s Board of Directors are all members of the American Bar Association.

¹ In various states, American Bar Endowment is registered as American Bar Endowment, Inc.

² As described in Sections 501(c)(3) and 509(a)(3) of the Internal Revenue Code of 1986, as amended.

2. Donating to ABE for the ABE Charitable Gift Fund

You can donate to ABE for the ABE Charitable Gift Fund through two different charitable giving vehicles: a Charitable Gift Account or the Legal Legacy Fund.

2.1 Charitable Gift Accounts. The [Charitable Gift Account](#) is a means for donating assets to charity that maximizes current tax benefits and provides flexibility for future charitable uses of those assets. With an initial minimum contribution of \$5,000, a Donor can establish a Charitable Gift Account within the ABE Charitable Gift Fund. To create a Charitable Gift Account, the Donor completes and submits the appropriate account application for a Charitable Gift Account to designate the account as either a Donor-Advised Account or a Specific Donee Account.

2.1.1 Donor-Advised Accounts. If the Donor designates the account as a Donor-Advised Account, the Donor has the right to make recommendations to ABE from time to time in the future for grants to be made from the Charitable Gift Account to one or more public charities selected in the future.

2.1.2 Specific Donee Accounts. If the account is a Specific Donee Account, at the creation of the account the Donor will designate on the application the charitable organization(s) that will receive distributions from the account.

2.1.3 Beneficiaries of Charitable Gift Accounts. Any organization designated as the ultimate beneficiary of a Specific Donee Account or recommended to receive a grant from a Donor-Advised Account must be a tax-exempt organization described in Section 501(c)(3) of the Internal Revenue Code and must be classified as a public charity under Section 509 of the Internal Revenue Code.³ For any Donor-Advised Account you create, ABE does request that you recommend that at least 20% of the distributions from the Charitable Gift Account go to ABE, the ABA Fund for Justice and Education, the American Bar Foundation or other charitable organizations whose purpose is to advance legal study and research and to promote the administration of justice and uniformity of judicial decisions throughout the United States. ABE also requests that you consider naming such organizations as one or more of the beneficiaries of any Specific Donee Account that you create. Information regarding the charitable activities of ABE and the other organizations named above is available at ABE's website, www.abendowment.org, or by request to ABE at (800) 621-8981.

2.2 The Legal Legacy Fund. The [Legal Legacy Fund](#) is the ABE's unrestricted giving fund, which makes charitable grants and sponsors educational programs in accordance with the grant-making policies developed by the Board of ABE for the Legal Legacy Fund. Donors do not have any formal role in making recommendations for grants from the Legal Legacy Fund.

Donors may contribute directly to the Legal Legacy Fund and may also recommend transfers to the Legal Legacy Fund from a Charitable Gift Account. Contributions to the Legal Legacy Fund will go toward satisfying ABE's request that 20% of the grants from the ABE Charitable Gift Fund be made to charities that advance legal study and research and promote the administration of justice and uniformity of judicial decisions throughout the United States. Contribution forms may be obtained by calling ABE at (800) 621-8981 or by downloading the Legal Legacy Fund Contribution Form using the free program [Adobe Acrobat®](#). There is no minimum amount required for direct contributions to the Legal Legacy Fund, but see Section 8.5 of these Policies and Procedures regarding the minimum for a transfer from a Charitable Gift Account.

³ Some organizations that do not require classification under Section 501(c)(3) of the Internal Revenue Code are also eligible. See Section 8.2 of these Policies and Procedures.

3. Donors and Contributions

3.1 Donors. Donors may make contributions to ABE for the ABE Charitable Gift Fund as a lifetime gift or as a testamentary bequest or by naming ABE (for the ABE Charitable Gift Fund) as the beneficiary of a life insurance policy, an annuity, an Individual Retirement Account, a retirement account, a trust or pooled income fund account. If the Donor makes a testamentary bequest or names ABE (for the ABE Charitable Gift Fund) as the beneficiary of a life insurance policy, an annuity, an Individual Retirement Account, a retirement account, a trust or pooled income fund account, but does not complete an account application to create a Charitable Gift Account or designate a Successor in the Donor's will, the contributed assets will be transferred to the Legal Legacy Fund. Contributions from multiple Donors may be pooled into one Charitable Gift Account, subject to ABE approval. Each individual Donor's contribution must be separately identified on the appropriate contribution form. One of these Donors will be identified on the appropriate account opening form as the Primary Donor and will receive statements, recommend grants and select investment strategies and have responsibility for other account functions. Online access to the account and all account functions and responsibilities will be available to the other Donors to the account if the Primary Donor provides these Donors with the account email address and password.

3.2 Donation Requirements for Charitable Gift Accounts. The minimum initial contribution to open a Charitable Gift Account is \$5,000. The minimum amount for additional contributions to an existing Charitable Gift Account is \$500.

For Charitable Gift Accounts established by multiple Donors, the total initial contribution from all of the Donors must equal at least \$5,000; each individual Donor must contribute a minimum of \$500.

3.3 Eligible Contributions. ABE will accept contributions for the ABE Charitable Gift Fund of cash or publicly traded securities, including stocks, mutual fund shares, and bonds. Cash contributions must be denominated in U.S. dollars and delivered by check or wire only.

Restricted stock may be accepted by ABE for the ABE Charitable Gift Fund subject to the marketability of the securities and the approval of the issuer concerning the sale of such securities. In the event such approval is denied, or the securities cannot be sold within a reasonable time period, as determined by ABE, the contribution will not be accepted and the securities will be returned to the Donor. Donors must provide an independent appraisal of the restricted stock they wish to donate. Please call (800) 621-8981 for additional information if you are considering such a donation.

For transfer and wire information, please reference the [Account Application](#), the section [contributing to the Account](#), or call (800) 621-8981 to receive these forms by facsimile or mail. The mailing address for contributions that cannot be electronically transferred or wired is: The ABE Charitable Gift Fund, 321 North Clark Street, Chicago, IL 60654.

3.4 Approval of Contributions. ABE will review all contributions prior to accepting them for the ABE Charitable Gift Fund. ABE reserves the right not to accept any contributions that are subject to any material restriction or condition that would prevent ABE from freely and effectively using the assets of the account or income derived from these assets in furtherance of ABE's charitable purposes. ABE cannot accept assets that are subject to a lien or debt-related encumbrance of any kind.

3.5 Disclaimer. ABE is not responsible for any errors in execution made by any broker, banker or other party given responsibility for delivery of contributed assets to ABE or for the sale of contributed assets.

3.6 Contribution Confirmation. Promptly (usually within ten business days) following acceptance of a contribution, ABE will send each Donor a confirmation letter of his or her contribution, using the account address stipulated on the Donor's contribution form. The confirmation letter will contain a description of the assets contributed, and if ABE is able to determine the fair market value of the contributed assets from publicly-available data, an estimate of such fair market value will be provided. The confirmation letter will be sent after a donation has been received and, if the contributed assets are in a form other than cash, after the contributed assets have been liquidated. If the contributed assets consist of restricted stock that ABE must hold for any time period before selling, the confirmation letter will confirm the assets contributed, but will not provide a valuation of the contributed assets. Donors should consult with their tax advisors before claiming any fair market value for a charitable contribution.

A Donor who does not receive a confirmation letter of a contribution within thirty (30) days of the contribution or who believes a received contribution letter contains a mistake should call the ABE at 800-621-8981 or email them at CGF@abendowment.org. ABE cannot be responsible for corrections regarding confirmation letters if notice of a mistake or missing contribution letter is not received within one-hundred (100) days of the date of the contribution.

3.7 Contributions Are Irrevocable, Unconditional and Under the Legal Control of the Board of Directors of ABE. Tax laws require that charitable contributions accepted by ABE for the ABE Charitable Gift Fund be irrevocable and unconditional in order for the Donor to receive the tax benefits associated with a charitable contribution. Contributions accepted by ABE for the ABE Charitable Gift Fund are not refundable and are assets owned and held by ABE in the ABE Charitable Gift Fund. These assets and any income resulting from these assets will be held and administered in accordance with ABE's charitable purposes and will be under the legal control of the Board of Directors of ABE. The Donor will have no ownership rights or control with respect to the donated property. Donors and their designated representatives may make certain recommendations regarding investment allocations of assets in, and grants from, the Charitable Gift Account, but all recommendations are subject to the approval of the Board of Directors of ABE (or a designated committee of the Board). The Board of Directors (or a designated committee of the Board) shall review all recommendations, but shall not be bound by such recommendations. Grants from the ABE Charitable Gift Fund cannot be claimed as charitable contributions on any individual's tax return.

The Board of Directors of ABE is authorized to modify any restriction or condition on distribution from the ABE Charitable Gift Fund imposed by a Donor or Donor's representative, if in the Board's discretion, such restriction or condition becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community or area served by the specified purpose or organization. The Board of Directors of ABE also is authorized to name new beneficiaries of a Specific Donee Account if the charitable beneficiary or beneficiaries named by the Donor cease to exist, constitute an eligible recipient for a distribution from the ABE Charitable Gift Fund, or meet the Donor's original charitable goals.

4. Investment of Contributions to Charitable Gift Accounts

ABE invests contributions for the ABE Charitable Gift Fund in investment strategies, composed currently of managed accounts of Northern Trust Corporation that ABE's Board of Directors has selected as appropriate investment choices for the assets held in the ABE Charitable Gift Fund. These investment strategies are described in the section [How to Invest Contributions](#). The Board of Directors of ABE has sole responsibility and authority for investing the ABE Charitable Gift Fund's assets and may at any time change the composition of the investment strategies and the manager(s) used to implement those strategies. No sales loads or commissions are charged against purchases or liquidations of investment strategy funds in Charitable Gift Accounts. Upon the creation of and for each new gift to the Charitable Gift Account, the Donor may recommend an allocation for the assets in that gift to one of five investment strategies consisting of professionally managed funds. The Donor may also recommend changes to investment strategies annually. However, ABE will retain control over the investment of all ABE Charitable Gift Fund assets, and ABE's Board of Directors will act to ensure that the allocations of the investment of the ABE Charitable Gift Fund's assets from

time to time are consistent with the accomplishment of the charitable purposes of ABE and its Charitable Gift Fund. ABE retains the right to alter investment strategies in the future and to add new strategies and/or funds as the Board deems to be in the best interest of ABE and its beneficiaries.

5. How Contributions Are Allocated To Investment Strategies

5.1 Contributions. A Charitable Gift Account created by a particular Donor will be credited with the number of units in each investment fund in the selected strategy equal in combined value to the amount of contributed cash allocated to each strategy, or to the net proceeds⁴ from the sale of the contributed securities that are actually realized by ABE for the ABE Charitable Gift Fund. For publicly traded securities, ABE will seek to sell the securities promptly and obtain the price available at the time of the sale. Any costs incurred in the sale of the securities, such as ordinary brokerage commissions, will be deducted from the proceeds of the sale.

5.2 Timing of Investments. ABE will invest the proceeds from contributions to a Charitable Gift Account in investment strategy units in accord with its investment cycle. (This is currently once a month on the last business day of the month. Between the time of sale and investment into the selected strategy, the proceeds will be invested in a money market fund, where accrued interest will be credited to the account created by the Donor.) The unit price of each purchased investment fund unit will be determined at the end of the last business day of each month by dividing the net asset value of each investment fund by the number of outstanding units in each such fund. The date of the purchase may be delayed by such factors as market deadlines and trade settlements.

5.3 Account Value. The value of each Charitable Gift Account will be equal to the number of units of each investment fund attributable to the Charitable Gift Account, multiplied by the unit's current net asset value, plus any cash or securities in the account which are pending investment into the investment strategies. The net asset value for each investment fund will include realized and unrealized capital gains or losses on each fund's portfolio of investments as well as undistributed net income attributable to each investment fund.⁵

6. Roles of Donors and Advisors

6.1 Role of the Donor with respect to all Charitable Gift Accounts. All Donors have the right to make additional contributions to the existing accounts they created by lifetime gift, by will, or by a direction in a trust, pooled income fund, retirement plan arrangement, insurance policy or annuity. In the event that there are multiple Donors to one account, one Donor will be identified as the Primary Donor. (Hereinafter in these Policies and Procedures, the term "Primary Donor" will also encompass a Donor to an account with only one Donor.) The Primary Donor will receive statements, may recommend grants and investment strategies, and will have responsibility for other account functions described in Sections 6, 7, and 8 of these Policies and Procedures. Online access to the account will be available to any other Donors to the account that the Primary Donor provides with the account email address and password. Providing the account email address and password allows such other Donors to exercise any rights available to the Primary Donor as described in Section 6 of these Policies and Procedures. The Primary Donor of a Charitable Gift Account, acting individually, has the authority to recommend the re-allocation of investment strategies, and to approve changing the name of the Charitable Gift Account, adding a new Advisor, and removing an Advisor. The Primary Donor and any of the other Donors may name or change individuals or charitable beneficiaries as successors for the Charitable Gift Account (as described in Section 11 of these Policies and Procedures). Upon the death, incapacity, refusal to serve or other disqualification of the Primary Donor, any other Donors to the account will be contacted to designate a new Primary Donor to the account.

⁴ Net proceeds will equal gross proceeds minus any applicable brokerage commissions or fees.

⁵ The investment funds may earn dividend interest, other investment income, and capital gains distributions from investments in excess of the operating expenses of the investment fund. Each investment fund will be allocated its prorated share of net income, if any, realized by the investment fund, which will be reflected in the net asset value of that fund.

6.1.1 Additional Role of Donor with respect to Donor-Advised Accounts. The Primary Donor of a Donor-Advised Account, acting individually, also has the authority to recommend grants to charitable organizations. The Primary Donor may be removed as an Advisor for grant recommendations only in the cases of the Primary Donor's consent to removal, the Primary Donor's death or a determination by a physician or court of law of the Primary Donor's incompetency.

6.1.2 Additional Role of the Primary Donor with respect to Specific Donee Accounts. The Primary Donor of a Specific Donee Account, acting individually, has the authority at the time the account is created to designate in the application the charitable organization(s) to be the ultimate recipient of grants from the Specific Donee Account. The Primary Donor also may make recommendations as to the amount and timing of distributions from the Specific Donee Account, both at the creation of the account and subsequently on a basis no more often than annually.

6.2 Role of an Advisor. The Primary Donor may designate Advisor(s) to an account to share authority over the entire account by providing the Advisor(s) with the email address and password for the Charitable Gift Account. Naming one or more Advisors does not deprive the Primary Donor of any powers over the entire Charitable Gift Account. Providing the account email address and password allows such Advisor(s) to exercise any rights available to the Primary Donor as described in Sections 6, 7, and 8 of these Policies and Procedures.

7. Naming Successors to a Charitable Gift Account

7.1 Naming Individuals as Successors. The Primary Donor or Advisor(s) to an account may select up to two individuals as Successors to succeed to the rights and duties associated with a Charitable Gift Account upon the death, incapacity, refusal to serve, or other disqualification of the Primary Donor of the account. The Successor must provide written notification and verification to ABE of the death or incapacity of the Primary Donor of the account, and, except as provided in Section 7.2 below, will then succeed to all the rights and duties of the Primary Donor, including the ability to recommend subsequent grants. The authority of any Advisor(s) who was not also the Primary Donor to the account will cease at this time. If more than one Successor is named, the Primary Donor or Advisor(s) may designate that the Successors share responsibility for the Charitable Gift Account, or if each Successor would have authority over an account of \$5,000 or more, that each Successor is to have authority only with respect to a pro rata portion of the Charitable Gift Account. If charitable organizations are named as successor beneficiaries to receive the proceeds of a portion of the assets in a Donor-Advised Account as described in Section 7.3 of these Policies and Procedures, any designated Successors to the Donor-Advised Account will have authority over the Donor-Advised Account only to the extent of any remaining portion.

Successors may in turn select new Successors in the event of the first Successor's death, incapacity, refusal to serve, or other disqualification, and may override any prior instructions from the predecessor Primary Donor. If the Successor is a minor, ABE requires that the minor's legal guardian approve any account activity.

7.2 Succession and Accounts with Multiple Donors. If the account has more than one donor, upon the death of the Primary Donor, the surviving Donor(s) maintain(s) all rights and duties with respect to the Charitable Gift Account. Successors for accounts with multiple donors are applicable only after the death, incapacity, or other disqualification of all Donors named on the account.

7.3 Naming Charities As Successor Beneficiaries of a Donor-Advised Account. A Primary Donor may choose to recommend that up to two charitable organizations⁶ receive the proceeds of all or a portion of any remaining assets in a Donor-Advised Account upon the notification to ABE of the death, incapacity, or other disqualification of all Donors named on the Donor-Advised Account. The Primary Donor may also request that the account balance be transferred to the Legal Legacy Fund.

7.4 Failure to Designate a Successor. If a Successor has not been named, ABE will transfer the account balance to the Legal Legacy Fund upon notification of the death, incapacity, or other disqualification of all Donors of the account or of any Successor to the Primary Donor.

8. Recommending Grants From Donor-Advised Accounts

Grants to charitable organizations from the Donor-Advised Accounts can be recommended by completing the Grant Recommendation section of the [Account Application](#) online or you can download the [Grant Recommendation form](#) using the free program Adobe Acrobat®. If the recommended grant is approved by ABE, the appropriate amount will be withdrawn from the funds in the investment strategy on a prorated basis and distributed to the recommended grantee organization.

8.1 Minimum Dollar Amount for Grants. Each grant recommendation must be for a minimum amount equal to \$250 to any one charitable organization, or for the balance of the Charitable Gift Account, if less.

8.2 Restrictions on Grants. The Primary Donor and any other Donors, Successors or Advisors may access [ABE's website](#), to research charities for grants. Grants will be made from the ABE Charitable Gift Fund only to U.S. charitable organizations that are tax-exempt public charities,⁷ to federal, state or local government organizations qualified to receive tax-deductible charitable contributions,⁸ such as state colleges or universities, or to foreign organizations that are the functional equivalent of a public charity or governmental instrumentality. Chances are, the organizations you choose to support to fulfill your philanthropic goals will be acceptable, but you should keep in mind that ABE has final discretion regarding the recipients of all distributions from the Charitable Gift Accounts.

The ABE will not approve recommended grants from the ABE Charitable Gift Fund that: are directed to foreign charitable organizations that are not the functional equivalent of a public charity or governmental instrumentality; are directed to private foundations;⁹ provide private benefit to the Donors or (except as part of an organization's charitable mission) any other individual; support lobbying, political campaigns or other political activities; or are for any purpose that is not entirely charitable. No grants may be used to pay for goods or services of value received by the Donors or (except as part of an organization's charitable mission) any other person. For example, grants may not be used to support any charitable event, including fund-raising dinners, concerts, auctions, or other benefit functions, when the Donors would receive a benefit in return for the contribution.

The Primary Donors of Donor-Advised Accounts will receive written or e-mail confirmation of all grants distributed in response to recommendations by the Primary Donor or an Advisor. Should ABE decide not to approve a recommended grant, ABE will likewise notify the Primary Donor. ABE will take remedial action if it discovers that grants have been made for improper purposes.

⁶ All recommendations of charitable beneficiaries are subject to the approval of the ABE, in its complete discretion, at the time the gift would otherwise take effect. Any charitable organizations recommended as successor beneficiaries must be U.S. charitable organizations that are tax-exempt public charities under section 501(c)(3) and 509(a)(1),(2) or (3) of the Internal Revenue Code; federal, state or local government organizations qualified to receive tax-deductible charitable contributions as defined in section 170(c)(1) of the Internal Revenue Code; or foreign organizations that are the functional equivalent of a public charity or governmental instrumentality. If the ABE determines not to make the donation to one of two recommended charitable organizations, the entire balance will be donated to the other charitable organization. If the ABE determines not to make the donation to either recommended charitable organization, the entire balance will be transferred to the Legal Legacy Fund for disbursement in accordance with its grantmaking policies.

⁷ As defined in Section 501(c)(3) of the Internal Revenue Code and classified in Section 509(a)(1), (2), or (3) of the Internal Revenue Code.

⁸ As defined in Section 170(c)(1) of the Internal Revenue Code.

⁹ As classified in Section 509 of the Internal Revenue Code.

Remedial actions may include, but are not limited to, a requirement that the recipient charity return the grant to ABE and judicial action to enforce compliance with grant terms.

8.3 Grant Notification. ABE makes grants from the ABE Charitable Gift Fund by check bearing the name of ABE. A letter from ABE, recognizing the Donors of the Charitable Gift Fund Account or the name of the account, will accompany the grant check unless the Primary Donor or Advisor has instructed ABE that the grant should be made without any such identification. Primary Donors, other Donors, or Advisors may not act as intermediaries in the delivery of grants.

8.4 Grants and Investment Strategies. When grants from Donor-Advised Accounts are recommended, ABE will withdraw grant amounts on a prorated basis from all the funds that make up the investment strategy(ies) in which the account is invested. If the amount of the approved grant recommendation exceeds the balance reflected in the account, ABE will issue a grant based on the remaining balance in the account.

8.5 Transfers to the Legal Legacy Fund. Donors may make donations to the Legal Legacy Fund at any time through a transfer from a Donor-Advised Account or direct contribution. A minimum of \$250 (or the balance of the account, if less) is required for transfers to the Legal Legacy Fund from a Charitable Gift Account.

9. Minimum Balance and Activity for Charitable Gift Accounts

9.1 Minimum Asset Level. Balances in Charitable Gift Accounts must be maintained at \$2,500 or more. If the asset value of an account falls below \$2,500, ABE may make reasonable efforts to notify the Primary Donor that the balance has fallen below the minimum. If the value of the Charitable Gift Account is not increased to at least \$2,500 (via additional contributions or increase in account value) within 90 days of the date ABE sends written notification to the current Primary Donor, the remaining assets in the Charitable Gift Account will be transferred to the Legal Legacy Fund.

9.2 Minimum Account Activity. ABE anticipates that it will distribute total annual grants from the ABE Charitable Gift Fund and its other assets in an amount equal to 5% of the ABE Charitable Gift Fund's average net assets on a fiscal five-year rolling basis (unless the IRS requires that the 5% be distributed solely from the ABE Charitable Gift Fund). If this requirement is not met, ABE may contact the then-current Primary Donor, other Donors, Advisor(s), or Successors of each Specific Donee Account and Donor-Advised Account that has recommended grants equal to less than 5% of the balance of the account on an annual basis and offer the Primary Donor, other Donors, Advisor(s), or Successors the opportunity to recommend the requisite amount in grants. If ABE does not receive sufficient grant recommendations within 90 days, ABE may transfer the requisite amounts from these accounts to the Legal Legacy Fund and may make corresponding grants from the Legal Legacy Fund.

Similarly, if neither contributions nor grant recommendations are made to or from a Charitable Gift Account during any five-year period, ABE may attempt to contact the then-current Primary Donor, other Donors, Advisor(s), or Successors and provide him or her with the opportunity to make grant recommendations or contributions. If the Primary Donor, other Donors, Advisor(s), or Successors of a Charitable Gift Account does not make a grant recommendation or contribution within 90 days, ABE will transfer all or a portion of the account assets to the Legal Legacy Fund and close the account.

10. Account Communication

10.1 Reporting. ABE keeps records of contributions, investment allocations and grants made for all Charitable Gift Accounts. Donors provided with the account email address and password can check the balance of the Charitable Gift Account that was created by accessing [ABE's website](#). In addition, ABE will mail the Primary Donor quarterly statements that contain an account activity summary, as well as investment value changes occurring during the period.

10.2 Notification Letters. All account correspondence, including grant acknowledgements, will be sent to the Primary Donor. In addition, the Primary Donor may provide online account access to other Donors and Advisor(s) to the account by providing them with the email address and password.

11. Costs of Administration

There are three types of costs associated with Charitable Gift Accounts:

11.1 Charitable Gift Account Transaction Costs. The costs for securities transfers, securities liquidations, wire deposits, etc. of the contributed assets will be subtracted from the value of the assets transferred to the Charitable Gift Account.

11.2 Administrative and Investment Management Costs. ABE incurs expenses associated with its operation of the Fund (e.g., management, administrative, promotion, and education), which also includes investment management fees paid to the managers of the Northern Trust S&P Index, Small Cap Equities Index, InterCap Equity Index, and Aggregate Bond Index Accounts (or other similar accounts established in the future) utilized in the investment strategies. Unlike many charitable gift funds where investment expenses are subtracted before the net asset value is reported, the ABE is charged directly for the fees on these index funds and values for them are gross of those fees. To cover ABE’s costs, specific charges are made against the balance in each account. ABE’s Board of Directors reviews and approves these charges annually. Each Charitable Gift Account is subject to a maximum annualized charge assessed monthly that is equal to the ending monthly balance in the account as outlined in the section How to Invest Contributions. In addition, any actively managed mutual funds may have separate investment management fees deducted from the fund unit values as outlined in the section [How to Invest Contributions](#).

Each Charitable Gift Account is subject to an annualized charge assessed monthly that is based on the ending monthly balance according to the following schedule:

Balance	Charge Schedule
First \$100,000	1.30%
Next \$100,000 to \$1,000,000	1.00%
Next \$1,000,000 to \$3,000,000	0.70%
Additional Balance	Rate to be determined based on account size

11.3 Activity Charges. There are currently no charges to accounts for the processing of recommended grants to charitable organizations. If the total number of grant recommendations exceeds anticipated levels, ABE retains the right at a later date to implement charges against an account balance for the number of grants per account that exceed a stipulated level.