

PROSPECTUS

TUITION ASSISTANCE ENDOWMENT FUND

The DMCS Tuition Assistance Endowment Fund ("Fund") is owned and administered by Des Moines Christian School ("DMCS"). DMCS is an educational non-profit and is exempt from income tax under Section 501(c)(3) of the US Internal Revenue Code. Deductions for gift contributions to the DMCS Tuition Assistance Endowment Fund are allowed by Section 170(c)(1) of the Code.

The following outlines administrative terms of the Fund:

- 1. Purpose of the Fund:** The Fund exists to support DMCS by providing financial funding for tuition assistance.
- 2. Contributions to the Fund:** Any individual, corporation or foundation may make contributions to the Fund at any time. Any such contribution to the Fund does not have a separate identity apart from the Fund as a whole.
- 3. Duration of the Fund:** The Fund is intended to exist in perpetuity. Principal and Income of the Fund will be available to support the purpose described in paragraph 1, including the payment of applicable fund expenses.
- 4. Annual Unitrust Payout from the Fund:** One or more payments shall be made from the Fund to DMCS annually. The annual payout shall be a percentage of the fair market value of the Fund as of December 31st of the immediately preceding year. The percentage shall be set by the DMCS Board of Directors which shall not be less than one percent nor more than fifty percent. The payout may from time to time exceed the actual net income (interest, dividend, and any other current income less applicable expenses) generated by the Fund and thus may cause a reduction in the Fund balance. The Fund balance may go up or down from time to time based on market fluctuation.
- 5. Investment Authority for the Fund:** The Fund shall be invested in accordance with the investment policies of DMCS as established from time to time by the DMCS Finance or Investment Committee. For purposes of investment only, the monies of this Fund may be pooled/commingled with other endowment funds held by DMCS. At all times, the Fund shall be separately accounted for in DMCS' books and records.
- 6. Administration of the Fund:** The Fund will be administered by DMCS, either internally or by a third party authorized by DMCS.
- 7. Administrative Service Fee for the Fund:** To defray its expenses related to the administration, holding, safeguarding, investing and maintaining of the assets in the Fund and with respect to the monitoring and disbursement of the payout, DMCS may charge administrative service fee(s) in accordance with policy established from time to time by DMCS' Finance or Investment Committee. The Fund will be charged the entire administrative service fee(s) which shall be separate and independent from the payout described in paragraph 4.
- 8. Contingent Use of the Fund:** Should it become clear in future years that the above-stated purpose for this Fund is no longer necessary, practical, desirable or possible to perform, DMCS shall designate a substitute purpose that is reasonably consistent with and similar to the original intention of the Fund.
- 9. Communication of the Fund:** Communication of the Fund, including amount and descriptions of contributions, may be made in any DMCS publication. While specific donor name(s) may be associated with the Fund as a whole, they will not be associated with specific gift details in any DMCS publication, unless otherwise arranged in writing between the donor and DMCS.
- 10. Modification of Agreement:** The terms and conditions of this Fund may be amended, modified, or altered by DMCS.
- 11. Governing Law:** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Iowa.