



**Corporate Capital Fund ("CapFund")
Application and Agreement Form
CapFund Information & Declarations
Page 1 of 5**

Name of Organization Sponsoring CapFund: _____

Name of Organization Contact Person for this Fund: _____

Organization Title of Contact Person: _____

Business Address: _____

_____ Postal Code: _____

Phone: (____) _____ E-mail: _____

Name of Permanent Capital Fund ("CapFund"): _____

Declarations:

1. The undersigned have the authority to bind the Organization named above (the "Organization") with respect to this application for the operation of a permanent capital fund ("Corporate CapFund") at the Ontario Credit Union Charitable Foundation (the "Foundation").
2. The Organization requests that the Foundation set up and/or continue to operate a Corporate CapFund according to the Foundation's standard terms and conditions for this type of fund as specified in Schedule "B" of this application and agreement form. The undersigned, on behalf of the Organization, also acknowledge receipt of a copy of this form and both understanding of and agreement with these terms and conditions.
3. The Organization nominates and appoints the contact person named above and authorizes such person, on behalf of the Organization, to direct, in writing to the Foundation, the specific amounts, dates and recipients of disbursements of income earned by the Corporate CapFund subject to the general directions for disbursement specified by the Organization in Schedule "A" of this application and agreement form.
4. The Organization acknowledges that all amounts contributed and deposited into the Corporate CapFund are irrevocably dedicated to the capital fund's purpose. Such funds cannot and will not be returned by the Foundation to the Organization but may, at the direction of the Organization, be transferred to another Organization that is able and willing to continue the operation of the Corporate CapFund and/or, on termination of the Corporate CapFund as per the terms of this agreement, donated to a qualified donee (as that term is defined by the Income Tax Act Canada) or recipient organization.

Signed at _____ on the _____ day of _____, _____
(City or Town, Province) (Month) (Year)

(Signature of Chair of the Board of Directors)

(Signature of Corporate Secretary)

(Print Name of Chair of the Board of Directors)

(Print Name of Corporate Secretary)



**Corporate Capital Fund ("CapFund")
Application and Agreement Form
CapFund Information & Declarations
Page 2 of 5**

SCHEDULE "A": GENERAL DIRECTIONS FOR DISBURSEMENT OF FUND INCOME

Name of CapFund: _____

Intended Capitalization Level: _____

Mission or Objectives of this Corporate CapFund: _____

DISBURSEMENT OPTIONS: Please select one (place initials in applicable space and provide particulars)

____ 1. Regular Annual Disbursement of Fixed Amount to Specific Pre-Determined Recipient

Amount \$ _____ Recipient: _____

Additional Particulars: _____

____ 2. Regular Annual Disbursement of Total Income Earned by Corporate CapFund During Prior Year to Specific Pre-determined Recipient

Recipient: _____

Additional Particulars: _____

____ 3. Disbursements to be directed and authorized on an individual, each case basis, prior to June 30th each year. Organization's contact person for this Corporate CapFund will notify the Foundation in writing of disbursement amounts, recipients, additional particulars, timing, etc.

NOTE: Please also refer to Sections 1e, 1f and 1g of Schedule "B" (Corporate CapFund Terms and Conditions) regarding instances when income earned by the Corporate CapFund in one year is more or less than the amount of authorized disbursements.

Signed at _____ on the _____ day of _____, _____
(City or Town, Province) (Month) (Year)

(Signature of Chair of the Board of Directors)

(Signature of Corporate Secretary)

(Print Name of Chair of the Board of Directors)

(Print Name of Corporate Secretary)

SCHEDULE "B": STANDARD TERMS AND CONDITIONS

- 1) Corporate CapFund Parameters, Principal Amount Requirements and Disposition of Income Earned
 - a) The Foundation and all Corporate CapFunds operated by the Foundation operate with fiscal years ending on December 31st (calendar year-end).
 - b) The Organization intends to make annual or otherwise regular contributions into the Corporate CapFund. Once deposited into the Corporate CapFund, these funds are irrevocably dedicated to the fund's purposes and cannot and will not be returned to the Organization.
 - c) The minimum amount accepted for initial deposit into a Corporate CapFund is \$1,000. The minimum commitment required of sponsoring organizations is to build up the principal balance to no less than \$5,000 over a period not greater than five years from the date of initial deposit.
 - d) Subject to the stated Mission or Objectives of the Corporate CapFund as specified on Schedule "A" and on the direction of the designated contact person, the Foundation will disburse funds from the Corporate CapFund, in amounts up to but not exceeding the total income earned annually by this individual Corporate CapFund, to charitable or non-profit organizations or to qualified donees (as defined by the Income Tax Act and other applicable legislation and regulations).
 - e) If the principal balance of the Corporate CapFund is below \$10,000 and the sponsoring Organization has not authorized or directed disbursement of income earned by the Corporate CapFund during a given year by the last business day in June of the following year, that income will be added to the principal balance of the Corporate CapFund.
 - f) If the principal balance of the Corporate CapFund exceeds \$10,000 and if the income earned by the individual Corporate CapFund in one year exceeds the total amount authorized and directed by the contact person for disbursement by the last business day in June, then the excess amount may, at the discretion of the Foundation, acting reasonably after consulting with and/or attempting consultation with the contact person, be either added to the principal balance of the CapFund or transferred to the General Fund of the Foundation. Operation of and disbursements from the General Fund are at the complete discretion of the Foundation.
 - g) If the total amount of requested disbursements from the Corporate CapFund for one year exceeds the income earned by that Corporate CapFund during the prior year, the Foundation will contact the sponsoring Organization and provide the option of either amending the disbursement requests to an amount equal to or less the Corporate CapFund income earned during the prior year or providing the additional funds required to fulfil the disbursement requests. In no case will the Foundation make disbursements from a Corporate CapFund in an amount exceeding the income earned during the prior year except in the case of termination of the Corporate CapFund (see Section 6 below).

- 2) Donation Receipts and Acknowledgements, Qualified Donees and Recipients
 - a) Operation of the Corporate CapFund and disbursements from Corporate CapFunds are governed by the Foundation's policies subject to Canada's federal Income Tax Act and any other legislation and regulations applicable to charitable organizations and foundations.
 - b) The sponsoring Organization may request a charitable donation receipt or receipts for the amount(s) contributed and deposited into the Corporate CapFund. There is, as of this date, no

charitable donation tax credit for corporations in Canada. If a charitable donation receipt is requested by the Organization and issued by the Foundation, there are restrictions as to recipients ("donees") that can receive such Corporate CapFund disbursements and the Organization is advised to seek professional advice before pursuing this course of action. Also, the Foundation may not provide a benefit related to such donation, including, without limitation, promotional or public relations assistance.

- c) Alternately, the Foundation will issue an official letter of acknowledgement of receipt of funds (not considered a charitable donation receipt as per 2b above) for all funds contributed by organizations and deposited into Corporate CapFunds. This letter may be used for accounting, audit, media and public relations purposes.

3) Authority and Succession of Contact Person

- a) The Foundation will make disbursements from the Corporate CapFund on the authority of the Organization's designated contact person, as evidenced by the signature of such contact person on this letter of direction or similar form acceptable to the Foundation. Each direction for disbursement will specify the amount to be disbursed, the desired date of the disbursement and the name and address of the recipient organization.
- b) The Foundation will maintain a record of the contact person for each Corporate CapFund and rely on such record for the identity of such contact person until it receives a notification from the Organization, in writing and bearing the signature of either of the Chair of the Board or the Corporate Secretary of the Organization, of the name and title of the successor contact person for the Corporate CapFund.

4) Interest Paid on and/or Income Earned by Corporate CapFund Balances

- a) The Foundation maintains deposit accounts at the Credit Union Central of Ontario (Central) in which it holds all its monetary assets. The balances of all CapFunds will be held in such accounts or accounts at any successor organization to Central that provides financial services.
- b) Interest is paid on Corporate CapFunds at 1% below the average rate paid by Central to the Foundation for its deposits and investments at Central (or its successor organization).

5) Statements of Account for Corporate CapFunds

- a) The Foundation will issue one statement of account, via the Annual Report, each year for each Corporate CapFund, as at December 31st.

6) Termination

- a) The Organization acknowledges that all amounts contributed and deposited into the Corporate CapFund are irrevocably dedicated to the Corporate CapFund's purpose. Such monies cannot and will not be returned by the Foundation to the Organization but may, at the direction of the Organization, be transferred to another organization that is able and willing to continue the operation of the Corporate CapFund. Such transfer will close the Corporate CapFund as held by the Foundation and must be authorized in writing with such document bearing the signature of all of the Organization's then current Contact Person for this Corporate CapFund, the Chair of the Board and Chief Executive Officer/General Manager of the sponsoring Organization.
- b) Alternately, the Organization may direct a one-time final disbursement of all balances in the Corporate CapFund, including principal plus income earned to that time, to a qualified donee as



**Corporate Capital Fund ("CapFund")
Application and Agreement Form
CapFund Information & Declarations
Page 5 of 5**

permitted by legislation and regulations governing such disbursements. Such final disbursement will close the Corporate CapFund and must be authorized in writing, such document bearing the signature of all of the Organization's then current contact person for this Corporate CapFund, the Chair of the Board and Chief Executive Officer/General Manager of the sponsoring Organization.

- c) The Organization agrees that, if the Foundation is unable to make contact with the Organization through their contact person or Board Chair or CEO/General Manager for five (5) consecutive years, then this particular Corporate CapFund may, at the option of the Foundation, be closed, with the then current principal balance transferred to a Consolidated CapFund operated by the Foundation. The income earned by the Consolidated CapFund may be disbursed at the discretion of the Foundation. The principal balance will be maintained in the Consolidated CapFund and may subsequently be transferred back to a new individual Corporate CapFund operated for the sponsoring Organization if, at some future time, contact is re-established with the Organization and/or its successor and if, at the discretion of the Foundation acting reasonably, there is sufficient cause and evidence that such Organization is the logical and rightful legal entity to resume discretionary control of the new Corporate CapFund.

7) Notices

- a) Any notice required or permitted to be given under this application and agreement shall be in writing and shall be sufficiently given if:
- i) Delivered in person during normal business hours of the recipient and left with a receptionist or other responsible employee of the recipient at the relevant address set forth below, or
 - ii) Sent by facsimile

(1) To the Organization at:

Address: _____

Facsimile number including area code: _____

To the attention of the designated contact person or: _____

(2) To the Foundation at:

Address: 1001 Champlain Avenue, Suite 203, Burlington, ON L7L Z4

Facsimile: 905-592-9844

Attention: Tony Niessen

- b) Each notice sent in accordance with this section shall be deemed to have been received:
- i) At the time on the day it was delivered in person or
 - ii) One (1) hour after it was sent on the same day that it was sent by facsimile or at the start of the first business day thereafter if the facsimile was sent after normal business hours on a business day or on a day not a business day.
- c) Addresses, facsimile numbers and contact person names may be changed by giving notice in writing in accordance with this section and this agreement.