

THE FWA OF SAN FRANCISCO SCHOLARSHIP ENDOWMENT FUND

1. Name. The name of this fund is The FWA of San Francisco Scholarship Endowment Fund (the “Endowment Fund”).

2. Purpose. The purpose of the Endowment Fund is to further the charitable and educational purposes of The Financial Women’s Association of San Francisco Scholarship Fund, Inc. (“FWASF SF”) by providing support for its scholarship activities and general operating needs. At least 85% of each year’s Endowment Fund distribution (as defined in Paragraph 3 below) must be used for the purpose of providing scholarships; up to 15% of each year’s Endowment Fund distribution may be used for the general operating needs of FWASF SF.

3. Annual Spending from the Endowment Fund. The intent of the Endowment Fund is to provide a permanent source of income to support the purposes set forth in Paragraph 2 above by, on a long-term basis, spending only a portion of the earnings of the Endowment Fund every year and adding the excess to principal for growth over time. Accordingly, each year, FWASF SF may spend an amount (the “Annual Amount”) from the Endowment Fund equal to four percent (4%) of the average net fair market value of the Endowment Fund’s assets for the twelve calendar quarters ending December 31 of the previous year. If the Endowment Fund has not been in existence for twelve full calendar quarters, the Annual Amount shall be equal to four percent (4%) of the average net fair market value of the Endowment Fund’s assets for as many complete calendar quarters as the Endowment Fund has been in existence. If the terms of the donor’s gift instrument expressly allow the spending of additional amounts or expressly allow the invasion of principal in certain circumstances, FWASF SF may spend such additional amounts. The spending policy set forth above may be amended by the Board of Directors from time to time, but only in a manner consistent with the endowment intention expressed above and the Uniform Prudent Management of Institutional Funds Act, as it may be amended from time to time.

4. Investment Guidelines. The Endowment Fund assets shall be invested according to the Investment Policy adopted by FWASF SF’s Board of Directors, as amended from time to time.

5. Costs. FWASF SF’s costs to hold and invest the Endowment Fund shall be charged against the Annual Amount; accordingly, the net amount available for the purposes set forth in Paragraph 2 shall be the Annual Amount as determined under Paragraph 3 less FWASF SF’s cost to hold and invest the Endowment Fund.

6. Accounting. Any Endowment Fund assets which are quasi-endowment or are designated for a restricted purpose shall be accounted for separately to facilitate their management.