

## APPENDIX B – INVESTMENT MANAGEMENT AGENCY AGREEMENT

On this \_\_\_\_\_ day of \_\_\_\_\_, 201\_, Hutchinson Community Foundation (“Foundation”) makes this agreement with \_\_\_\_\_ (“Agent”).

1. Services of Agent. Agent shall hold and safeguard in an agency account the securities, property, or other assets deposited with Agent by Foundation. Agent shall have complete discretion in the investment and reinvestment of the assets in the account, with full power and authority to make such purchases and sales of securities or other property or interests therein as it may deem appropriate and in the best interest of Foundation. Agent shall have all other powers, rights, and privileges necessary for or incident to the performance of its duties including, but not limited to, the powers:
  - a. to invest and reinvest the principal and income of the account in any and all common stocks, preferred stocks, bonds, notes, debentures, mortgages, open-end or closed-end mutual funds, equipment trust certificates, registered investment companies, and in such other property, real or personal, tangible or intangible, as Agent may deem advisable with the exception of the following transactions which require written disclosure to the Foundation prior to the transaction:
    - i. investments that generate Unrelated Business Income Tax payable by the Foundation
    - ii. any transaction that results in leveraging our assets
    - iii. excluding mutual funds, any transaction investing in private placements, lettered stock, futures contracts, swaps, synthetic securities, derivatives, naked options, short sales, margin transactions or other specialized investment activities;
  - b. to retain property, other than cash, contributed to the account in the same form in which contributed;
  - c. to sell, exchange, convey, assign, or transfer any property held by Agent upon such terms and for such prices as it, in its sole discretion, may deem advisable;
  - d. to collect the income due on the securities and property held in the account, as well as the proceeds of maturities, redemptions, or sales of such property; collections of principal shall be held for reinvestment; income may be distributed as directed by Foundation or may be reinvested;
  - e. to vote in person or by proxy on any stocks, bonds, or other securities held in the account, to exercise any rights appurtenant to any such securities for the conversion thereof into other securities, and to make any and all necessary payments with respect to such conversions or exercise;
  - f. to deposit or arrange for deposit of securities in a “clearing corporation,” as defined in K.S.A. §84-8-102(3) and in accordance with K.S.A. §84-8-108;
  - g. to execute releases, receipts, contracts, deeds, powers of attorney, bills of sale, mortgages, assignments, leases, and any and all other instruments that may be necessary or expedient to carry out the provisions of this Agreement or the powers herein granted.
2. Selection of Brokers. All orders for the purchase or sale of securities shall be placed through such brokers as Agent may from time to time select in the best interests of Foundation.
3. Use of Nominee. Agent may hold any securities or other property in the name of its nominee or in such other form as it deems best, but Agent shall remain accountable for the actions of its nominee. Agent shall

have the authority and responsibility to vote proxies on all securities held in nominee form in the account and shall be designated as the responsible party under applicable S.E.C. Rules and Regulations.

4. Employment of Advisors. Agent is authorized to employ and charge to the account the services of attorneys, accountants, or other advisors who, in the opinion of Agent, are necessary to assist Agent in the proper administration of the account.
5. Records and Reports. Agent shall furnish Foundation with periodic statements of account, not less frequently than once each calendar quarter, showing all receipts and disbursements, all assets held in the account, all changes in assets since the last accounting, and charges for its services. Foundation acknowledges the right to receive written confirmation of each security transaction executed by Agent for the account. If requested in writing by Foundation, these confirmations will be mailed to Foundation within five business days after the trade date of each security transaction. If Foundation does not request such confirmations, Agent's periodic statements of account will provide the record of security transactions.
6. Sub-Accountings. Foundation has the right to designate certain pools of money and/or assets as separately identifiable funds, and Agent agrees to hold, invest, account for, and otherwise manage such funds in appropriately designated sub-accounts.
7. Additions and Withdrawals. Foundation has the right to add funds, securities, or other property to the account, from time to time, provided such additions are in a form acceptable to Agent. Upon written notice to Agent, Foundation may withdraw any part or all of the funds and property deposited in the account.
8. Amendment and Termination. This Agreement may be modified at any time by a written instrument executed by both parties. The account may be terminated at any time by written notice from either party to the other. Upon obtaining receipt therefor, Agent shall deliver to Foundation all funds, securities, and property then held in the account.
9. Fees. For its services in handling the account, Agent shall be entitled to receive fees in accordance with its regular schedule of compensation in effect at the date such services are rendered, and Agent is authorized to charge the account for the amount of such fees at a rate of \_\_\_\_\_ basis points.
10. State Law. This Agreement has been executed in the state of Kansas and shall be construed and enforced according to the laws of that state.

By: \_\_\_\_\_

Aubrey Abbott Patterson, CEO  
Hutchinson Community Foundation

By: \_\_\_\_\_

Agent