Freemasons Foundation Victoria Limited
A.C.N. 159 528 122

Trustee for
The Freemasons Public Charitable Foundation
ABN 97 577 321 065

and
Freemasons Benevolent Fund
ABN 77 505 868 957

NAMED SUB-FUND AGREEMENT

Please address all applications to:
The Secretary,
Freemasons Foundation Victoria Limited,
PO Box 553,
East Melbourne, 8002

Phone: 9411 0124
Email: neil.cripps@freemasonsvic.net.au
NAMED SUB-FUND

Freemasons Foundation Victoria Limited (FFVL) offers individuals and groups an opportunity to preserve their donation and provide for long-term gifts to their chosen charity in years to come via the creation of a named sub-fund within FFVL’s charity structures.

A named sub-fund can be established in either of the two charitable trusts of which FFVL is a trustee:

The Freemasons Public Charitable Foundation (FPCF) is a public ancillary fund endorsed as an Item 2 Deductible Gift Recipient (DGR), and an Income Tax Exempt Fund. Individuals can claim a tax deduction for their donations. All grants from FPCF must be made to Item 1 DGR charities.

Freemasons Benevolent Fund (FBF) is a charity, endorsed as income tax exempt. Donations to the Fund are not tax deductible.

The specified purposes of the Fund are:

- Advancement of education;
- Relief of poverty; and
- Other purposes beneficial to the community.

together, the Charities.

A named sub-fund is not a separate trust. It is an account that will be set up in your name within the existing Charities. All decisions relating to the investment of these funds and all grant decisions are the legal responsibility of the FFVL Board.

An initial contribution of $2,000 is required to establish a named sub-fund. Further contributions to the named sub-fund are set at a minimum of $1,000. Distribution can commence when the balance of the named sub-fund reaches $11,000.

It is expected that the balance of the named sub-fund will build to a minimum of $11,000 within five years from the date of the initial contribution.

A named sub-fund will be considered inactive if:

- The named sub-fund does not reach its minimum balance of $11,000 within the five year period; or
- The donor cannot be contacted; or
- If there have been no grant applications or donations received into the named sub-fund for a period of five years.

If the named sub-fund is considered inactive, FFVL may close the named sub-fund by donating the balance of the account to a charity of its choice or transfer the balance of the account into the applicable FPCF or FBF accumulated fund.
**DONATIONS**

Contributions are recorded as donations within the Charities. All donations made to FFVL as Trustee for FPCF and FBF are irrevocable gifts and will not be returned to the donor if their wishes are not carried out by FFVL.

Donations to a name sub-fund can be made by cheque, EFT or credit card. Payments by EFT need to include the name of the named sub-fund in the description line, whilst credit card payments can be processed online via our website.

For administration of the receipting process, a copy of the deposit with the donors name and name of the named sub-fund should be emailed to foundation@freemasonsVIC.net.au

For all donations, a receipt from the respective Charity will be provided. For donations made to FPCF, this receipt will state that the donations are tax deductible.

**DISTRIBUTION GUIDELINES**

Under the Public Ancillary Fund Guidelines, FPCF must distribute at least 4% of the market value of the fund’s net assets at the end of the previous financial year. Named sub-funds established within this fund that have a balance greater than $11,000, need to comply with this requirement. Otherwise the FFVL Board reserves the right to apply account funds to meet the requirement.

Where the balance of a named sub-fund within FPCF is less than $11,000, the FFVL Board will distribute the 4% from the general fund assets to make up for the shortfall.

Note, this requirement does not apply to funds setup in FBF.

For named sub-funds established under the FPCF, the recipient of a grant must be a type 1 DGR.

**FEES**

The Charities currently charges a fee of 0.6% p.a on the full balance of the fund where the balance exceeds $10,000 to cover the costs of administrating and managing the named sub-fund. Named sub-funds with a balance below $10,000 will not be charged a fee.

There is no cost to establish a named sub-fund.

Fees will be based on the monthly balance of the named sub-fund and debited to the account in October, January, April and July.
MAKING GRANTS

Applications to grant funds from a named sub-fund are to be completed using the Named Sub-Fund application form. The application form is available on our website at www.freemasonsfoundation.org

Applications open in July and close in May. The decision to approve a grant is the sole responsibility of the FFVL Board. The Trustee is not under an obligation to act in accordance with the grant request, of the named sub-fund holder.

A minimum grant size of $1,000 applies for all grant requests whilst the minimum balance of $10,000 must be retained in the named sub-fund at all times.

CLOSING A NAMED SUB-FUND

A donor wishing to close a named sub-fund must request this in writing for consideration and approval by the FFVL Board. The options available for each trust fund are:

FPCF
- Roll funds into FPCF;
- Roll into another named sub-fund; or
- Apply for a grant to allocate the closing balance of the fund to a DGR 1 status entity that meets the requirements of the Trust deed.

FBF
- Roll funds into FBF;
- Roll into another named sub-fund; or
- Apply for a grant to allocate the closing balance of the fund in accordance with the purposes of the FBF.