

GUIDELINES FOR BIRTHDAY GRANT PROGRAM

These guidelines (the "Guidelines") describe the process by which Future Members of The XYZ Family Foundation, Incorporated (the "Foundation"), may award annual discretionary grants to support the programs of a nonprofit organization. Such grants will be awarded to celebrate a Future Member's birthday (a "Birthday Grant").

The Birthday Grant Program's Fundamental purpose is to engage the next generation of XYZ family members in the joy and value of participating in the Foundation's work.

Participants. Eligible Participants are Future Members of The XYZ Family Foundation between the ages of 10 and 30. At age 30, each descendant of the founder may petition for lifetime membership and participate in the Members and Directors Matching Grant Program. Parents are encouraged to work with younger Participants to select a grant recipient in a manner that is appropriate for their child and their family.

Eligible Organizations. Public charities described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") and that is described in Code sections 509(a)(1), 509(a)(2), or 509(a)(3) (an "Eligible Organization"). Foundation staff will confirm eligibility for all requested Birthday Grants. When in doubt of an organization's eligibility, families should seek Foundation staff guidance.

Program Year. The Foundation will administer the Birthday Grant Program on an annual basis consistent with the Foundation's fiscal year, which runs from January through December.

Available Funding. Birthday Grants will be included in the Foundation's annual budget, approved by the Executive Committee and ratified by the Board of Directors. Foundation staff will inform Participants and their parents of the Birthday Grant Program specifics (i.e., grant size, application process, etc.) each year.

Requesting Birthday Grants. Foundation staff will contact parents and/or Participants, as appropriate, in advance of each Participant's birthday to coordinate a Birthday Grant selection. Participants are encouraged to include a brief explanation about why they chose their Birthday Grant recipient.

Grant Approval. Upon receipt of the request, Foundation staff will confirm the tax-exempt status of the Eligible Organization and, if the organization is a public charity described in Code section 501(c)(3), will process payment. Birthday Grants will be distributed monthly, generally within 45 days of receipt of the request. Birthday Grants will be presented to the Board for ratification.

Mission-Driven Grants. A Participant may request funding on behalf of an Eligible Organization where the organization will use such Foundations in a manner consistent with the Foundation's mission: *[insert mission here]*

Grant Exemptions. Birthday Grants are **not** limited to the regional priorities set by geographic committees; however, the Foundation will not award: grants for programs promoting specific religious doctrine; grants to organizations in foreign countries; grants to individuals; grants to underwrite fundraising events; grants to Type III Supporting Organizations.

Competitive Grants. Eligible Organizations that have received a Birthday Grant must submit an Introductory Application and adhere to stated grantmaking priorities if they desire to compete for a grant through the Foundation's competitive grant cycle. Grants made by the Foundation through its competitive grant cycle do not preclude an organization from receiving a grant through the Birthday Grant Program, and vice-versa.

Recognition for Grants. Birthday Grants are considered grants made by the Foundation; however, grantees should not identify the Foundation as a grantor in their annual or other giving reports.

Conflict of Interest and Gift Refusal. Participants' parents must become familiar with the Foundation's Conflict of Interest and Gift Refusal policies mandating that the Foundation's directors, officers and employees carry out their respective duties in a fashion that avoids actual, potential or perceived conflicts of interest. As Members of the Foundation, parents must complete a "Conflict of Interest Disclosure Form" disclosing all affiliations with for-profit and nonprofit entities and update the disclosure on an annual basis. If a Participant requests funding in support of an Eligible Organization with which the Participant or a parent is affiliated, the Foundation's Executive Director may require additional information concerning the affiliation and possible conflict. The Foundation's Executive Director will forward this information to the Foundation's Executive Committee for further consideration.

Personal Pledges. A Birthday Grant may not be made to fulfill a Participant's or a parent's personal pledge to contribute to an Eligible Organization as such a grant would constitute an act of self-dealing. If a Participant or a parent has made a personal pledge to an Eligible Organization and subsequently requests a Birthday Grant on behalf of the organization, the Participant or parent must disclose this information in the written request for the Birthday Grant. The Foundation may require that the Participant or parent first honor a personal pledge to the Eligible Organization before the Foundation makes a Birthday Grant.

Donor Advised Foundations. A Birthday Grant may not be made to a donor advised fund.

The Foundation will review and assess the efficacy of the Program at least every five (5) years. Accordingly, the Birthday Grant Program and these Guidelines are subject to change based on the outcome of these reviews.

Policy adopted by The XYZ Family Foundation Executive Committee on December 15, 2022.

Secretary Signature / Date