

Application and Agreement

Owner(s): (Referred to herein as "Owner") * Charitable Installment Bargain Sale (ChIBS)**

Full Name(s): _____ Date of Birth: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____ Social Security Number: _____

Beneficiary(ies): (Referred to herein as "Beneficiary")

Full Name(s): _____ Date of Birth: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____ Social Security Number: _____

Assets to be Purchased by TCN (Referred to herein as "Assets")

Type of Assets: Securities Real Estate Other: _____

(Note: With respect to assets such as real estate and stock or assets in a privately held business, the obligations of the parties in this Agreement are contingent upon TCN exercising its option under the Charitable Installment Bargain Sale Option Agreement, the terms of which are made a part of this Agreement.)

Address of Real Property (please attach copy of deed and legal description): _____

Market Value of Assets: \$ _____

Estimated Value of Net Contribution (value of Assets less costs of liquidation): \$ _____

(Note: In the case of contributed securities, the Net Contribution is either (a) the average of the high and low prices for such securities on the trading day immediately succeeding the day on which TCN receives confirmation that the securities have been received into TCN's account in a form which can be immediately converted to cash by TCN, or (b) if such securities are liquidated within such period, the net proceeds of liquidation of such securities.)

Detail regarding Assets: _____

Indicate whether Installment Payments are to begin immediately or to be deferred: _____

Indicate whether Payments are to be payable monthly, quarterly or annually: _____

If payments are to be deferred, date of first Installment Payment: _____

If payments are to be flexibly deferred, month of first Installment Payment: _____

Agreement

The above listed "Owner," and Trust Counselors Network, Inc., a non-profit corporation headquartered in Colmar, Pennsylvania, and recognized by the IRS as a charitable organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended), hereinafter referred to as "TCN", agree that

WHEREAS, Owner desires to support the tax exempt activities of TCN and desires to make a contribution of the above mentioned Assets in partial consideration for installment payments, and

WHEREAS, TCN is desirous of accepting the Assets in exchange for the installment payments, and

IN CONSIDERATION of the above Application, these recitals and of the mutual promises and covenants provided herein, the receipt and sufficiency of which are hereby acknowledged.

1. ***Transfer of Assets by Owner to TCN.*** Owner shall transfer to TCN the Assets and execute any and all further instruments, if any are requested, to assure TCN the absolute, unencumbered title to the Assets.
2. ***TCN's Installment Payments to Owner.*** TCN shall issue payments to Owner or Owner's designated beneficiary as follows:
 - a. ***Amount of Payments.*** The amount of each of the payments, as set forth below, is based on the assumption that the Net Contribution is equal to the Estimated Net Contribution specified above. If the Net Contribution is different from the Estimated Net Contribution specified above, then the amount of the payments will be adjusted proportionately.
 - b. ***Timing of Payments.*** The payments shall be made on the first business day of the month for each specified installment payment period.
 - c. ***Date and Calculation of First Payment.*** Provided that TCN has by the 15th day of the month possession of and title to the Assets and all documentation necessary to complete the donation transaction, TCN shall pay to Owner the payments as follows: (complete applicable section)
 - i. ***Monthly Payments.*** If the payments are to be paid monthly, then _____ monthly payments shall be paid, each in the amount of \$_____. The first of said payments shall begin in the month following the month in which the Closing Date occurs.
 - ii. ***Quarterly Payments.*** If the payments are to be paid quarterly, then _____ quarterly payments shall be paid, each in the amount of \$_____. The first of said payments shall begin in the quarter following the quarter in which the Closing Date occurs.
 - iii. ***Annual Payments.*** If the payments are to be paid annually, then _____ annual payments (the "Annual Payments") shall be paid on a calendar year basis, each in the amount of \$_____ provided, however, that the first payment shall be prorated and shall be paid on the first business day of the calendar year immediately succeeding the year in which the Closing Date occurs; following the payment of the Annual Payments, a final payment in an amount equal to the balance of the first year's payment, which was prorated, shall be paid on the first business day of the calendar year following the year in which the last of the Annual Payments is made.

- iv. **Deferred Payments.** When payments hereunder are deferred, the first payment shall be issued on the date as specified in the Application, above.
- v. **Flexible Deferred Payments.** When the first payment date is to be selected by the Owner to begin in a future year, the applicable payment amount shall be that amount corresponding with the year in which payments are to begin, as indicated in the payment schedule, attached hereto and made a part hereof. If no date is selected by the Owner, the first payment date shall be the last payment year listed in the schedule. The payments shall begin on the first business day of the month as specified in the Application, above. Payments may be payable annually, quarterly or monthly, as specified by the Owner. Quarterly or monthly payments shall be in an amount that is proportionate to the annual payment amount.

d. **Payments to Beneficiary.** If Owner predeceases the conclusion of the payments hereunder, the remaining payments payable hereunder shall be made to the Beneficiary designated above. Owner may revoke or change this beneficiary designation by Owner's written and notarized notice to TCN or by specific statement in Owner's Last Will and Testament. Owner may also direct that such remaining payments go directly to TCN.

- 3. **Installment Illustration and Donation Receipt Letter.** Following its receipt of the Assets, TCN will issue to Owner a letter, acknowledging TCN's receipt of the Assets, indicating both the date of receipt and the nature of the Assets, and detailing the amount of the installment payments to be made to Owner hereunder. In addition, (for tax purposes) TCN will issue to Owner a final Installment Payment Illustration, indicating dates and amounts of payments consistent with the Contribution Receipt Letter.
- 4. **Assignability of Installment Payments.** The payments provided hereunder (except for those payments subject to the Irrevocable Contribution Assignment executed in conjunction herewith) may be assigned by providing advance notice of the name, address and phone number of the assignee to TCN.
- 5. **Warranties.** Owner warrants that the information contained in the Application is true and correct to the best of Owner's knowledge and belief.
- 6. **Entire Agreement.** This Agreement, which includes the Application, comprises the complete and entire agreement and understanding of the parties concerning the charitable donation transaction effected hereunder and shall, as of the effective date hereof, supersede all prior oral or written agreements, representations and warranties made by a party or between the parties.
- 7. **Modification of Contract.** This Agreement, and therefore the rights and obligations of the parties hereunder, may not be modified in any respect, except as provided in a writing signed by the parties.
- 8. **Choice of Law.** This Agreement shall be construed in accordance with and governed by the laws of the State of Pennsylvania

TRUSTCOUNSELORS NETWORK, INC,

OWNER:

By: _____

Signature of Owner

Title: _____

Signature of Second Owner (if applicable)

Date: _____

Date: _____

Financial Service Advisor Certification

I, the Charitable Financial Service Advisor certify that I witnessed the Owner(s) signing of the above Agreement.

Charitable Financial Service Advisor's Signature: _____ Date: _____

Date of Owner' Receipt of Illustration: _____

Direct Deposit Information Regarding Owner's Account

Attach a completed Electronic Funds Transfer Procedures form to this Application and Agreement.

Alternative Owner Contact Information

(Nearest Relative Excluding Spouse): _____ Relationship: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____

Address: _____

TCN Internal Use Only

Reviewed by: _____ Date: _____

Contract Number: _____