

Instrument of Transfer for Beneficiary Designation
for
The San Diego Foundation
Pooled Income Fund III

This Agreement is made and entered into between _____ (hereinafter called "Husband"), _____ (hereinafter called "Wife") (hereinafter sometimes referred to collectively as "Donors"), **THE SAN DIEGO FOUNDATION** (hereinafter called "Donee"), and **CITY NATIONAL INVESTMENTS** (hereinafter called "Trustee").

1. The Donee and the Trustee acknowledge receipt by the Trustee of the property listed on Exhibit "A," attached hereto and incorporated herein by this reference, as an irrevocable transfer from the Donors, constituting an irrevocable gift of the remainder interest to Donee, which property and all additions thereto shall be held and administered in trust as hereinafter provided.
2. The property transferred by the Donors shall become a part of **THE SAN DIEGO FOUNDATION POOLED INCOME FUND III** and shall be held, managed, and distributed in accordance with **THE SAN DIEGO FOUNDATION POOLED INCOME FUND III Trust Agreement**, which is incorporated herein by this reference.
3. In accordance with Section 3.2 of said **THE SAN DIEGO FOUNDATION POOLED INCOME FUND III Trust Agreement**, the Donors designate themselves as joint and survivor income recipients. The Trustee shall pay net income, as defined in Article V of the Trust Agreement to Donors (in shares corresponding to the percentage transferred by each of husband and wife as set forth on Exhibit "A" to this Instrument of Transfer) during their lifetime, and upon the death of either of them, then to the survivor of Donors during his or her lifetime.
4. The Donors hereby declare that the transfer described above is irrevocable and is not subject to amendment or modification by the Donors. Notwithstanding the foregoing, Husband hereby retains the power, exercisable only by will, to terminate the Income Interest of Wife attributable to Husband's separate property, his quasi-community property, and his one-half share of the Donors' community property transferred to the Donee and the Trustee under this Instrument; and in the event that the Income Interest of Wife is terminated by Husband in this manner, then upon the death of Husband, the units in the **THE SAN DIEGO FOUNDATION POOLED INCOME FUND III** attributable to Husband's said property shall be severed from the Fund and delivered to the Donee to be used by the Donee in such manner as the Donee may direct. Similarly, Wife hereby retains the power, exercisable only by will, to terminate the Income Interest of Husband attributable to Wife's separate property, her quasi-community property, and her one-half share of the Donors' community property transferred to the Donee and the Trustee under this Instrument; and in the event that the Income Interest of Husband is terminated by Wife in this manner, then upon the death of Wife, the units in the **THE SAN DIEGO**

FOUNDATION POOLED INCOME FUND III attributable to Wife's said property shall be severed from the Fund and delivered to the Donee to be used by the Donee in such manner as the Donee may direct. It is the intention of the Donors that this gift qualify as a "Pooled Income Fund" gift as defined in Section 642(c)(5) of the Internal Revenue Code of 1954, as amended, and the Trust Agreement above described shall be so interpreted.

5. Unless severance is sooner required by the exercise by Husband or Wife of the testamentary power of termination set forth in the preceding Paragraph 4, upon the death of the survivor of Husband and Wife the Trustee shall sever from **THE SAN DIEGO FOUNDATION POOLED INCOME FUND III** units attributable to the property upon which the Income Interest is based and transfer it to the Donee to be used in the manner provide below:

- If this box is checked, the property so severed and transferred to the Donee and the income therefrom shall be used in such manner as the Board of Governors of the Donee may direct for the general uses of the Donee.
- If this box is checked, the property so severed and transferred to the Donee shall be added to the _____ Fund maintained by the Donee and shall be held, administered, and distributed as a part of said Fund.
- If this box is checked, the property so severed and transferred to the Donee shall thereafter constitute a permanent endowment fund, such property to be kept by the Donee among its investments and the annual income therefrom used as follows:_____
- If this box is checked, the property so severed and transferred to the Donee shall be added to Pooled Income Advised Non-endowment Fund, _____ as Advisor.

If the Board of Governors of the Donee determines that the purpose for which this gift is designated is no longer possible or practical, the Board of Governors may designate an alternate use or uses in accordance with **THE SAN DIEGO FOUNDATION POOLED INCOME FUND III** Trust Agreement and the Bylaws of the Donee. Notwithstanding the Donor intends to establish a permanent endowment fund, the Donor authorizes the Board of Governors of the Donee, in the Board's discretion, to use and apply principal of the fund, in addition to income.

In the event that the Trustee of **THE SAN DIEGO FOUNDATION POOLED INCOME FUND III** duly selects an organization qualified as a public charity under clauses (i) through (vi) of Section 170(b)(1)(A) of the Internal Revenue Code to replace the Donee pursuant to Section 6.6 of the Pooled Income Fund Trust Agreement, all references in this instrument of transfer to **THE SAN DIEGO FOUNDATION** shall henceforth be construed to refer to the replacement organization so selected.

6. No gift, estate, inheritance, or other transfer taxes attributable to the transfer to the Trustee shall be payable from the funds transferred by the Donors to the Trustee or from other assets of **THE SAN DIEGO FOUNDATION POOLED INCOME FUND III**. Donors hereby covenant and agree to make appropriate provisions in other estate planning documents, or otherwise, to have all such taxes attributable to the transfers by the Donors, or by either of them, paid out of other assets of the Donors, and to hold the Trustee and the Donee harmless from all such taxes. Should the Donors, or either of them, fail to make other provisions for the payment of such taxes as required by this paragraph, any beneficial interest generating such taxes shall be contingent upon the payment of any such taxes (including any penalty and interest) by the beneficiary of such interest.

7. This Agreement shall be effective only upon execution by the Trustee.

8. Donors acknowledge receipt of a copy of this Instrument, a copy of **THE SAN DIEGO FOUNDATION POOLED INCOME FUND III Trust Agreement**, and a copy of **THE SAN DIEGO FOUNDATION POOLED INCOME FUND III Disclosure Statement**.

Executed on _____, 19 _____, at _____, California.

Donor Husband

Donor Wife

THE SAN DIEGO FOUNDATION
Donee

CITY NATIONAL INVESTMENTS
Trustee

By _____

By _____

By _____

By _____

EXHIBIT "A"

THE SAN DIEGO FOUNDATION – POOLED INCOME FUND III

DONOR INFORMATION SHEET

NAME: (Husband) _____ DATE OF BIRTH _____
NAME: (Wife) _____ DATE OF BIRTH _____
ADDRESS _____ TELEPHONE _____

CITIZENSHIP (H) _____

CITIZENSHIP (W) _____

SOCIAL SECURITY NO: (Husband) _____
(Wife) _____

NATURE OF GIFT: _____
AMOUNT OF GIFT: _____
DATE ACQUIRED BY DONOR: _____
DATE OF GIFT: _____
BASIS OF DONOR: _____

Choose One:

- It is our wish that TSDF notify the organization(s) that will ultimately benefit.
 We prefer that TSDF does not notify the organization(s) at this time.

INCOME BENEFICIARY

NAME: (H) _____ SOCIAL SECURITY NO: _____
ADDRESS: _____ DATE OF BIRTH: _____

NAME: (W) _____ SOCIAL SECURITY NO: _____
ADDRESS: _____ DATE OF BIRTH: _____

