



# ADVISOR MANAGED FUNDS (AMF) application

Financial advisors who would like to work with their clients through an Advisor Managed Fund (AMF) at the Essex County Community Foundation must apply for admission into the AMF program. To be accepted, each applicant will meet certain qualifications based on the materials requested as part of this application. All materials will be reviewed by ECCF's staff and Investment Committee.

**Financial Advisor Name** \_\_\_\_\_

**Firm Name** \_\_\_\_\_

**Firm Address** \_\_\_\_\_

**City** \_\_\_\_\_ **State** \_\_\_\_\_ **Zip** \_\_\_\_\_

**Email** \_\_\_\_\_ **Website** \_\_\_\_\_

**Work Phone** \_\_\_\_\_ **Cell Phone** \_\_\_\_\_

## CHECKLIST

I have included the following application addendums with this application:

Signed ECCF "Program Details, Requirements, and Financial Advisor Responsibilities" Form

### Enclosed with above:

ADV Brochure

ADV Amendment (current year)

E & O Insurance Certificate

Sample Portfolio Report

Investment Policy Statement

## **ADVISOR MANAGED FUNDS (AMF)**

### **PROGRAM DETAILS & REQUIREMENTS**

- Essex County Community Foundation (ECCF) requires that individual charitable fund accounts managed in an Advisor Managed Fund (AMF) begin with a \$100,000 minimum balance. Where exceptions are made with ECCF's approval, it is expected that a firm participating in the AMF program will, in aggregate, achieve at least \$100,000 in committed assets over the first 6 months of participation. Participating firms may set higher minimums.
- Financial Advisor and his/her firm must be registered in accordance with applicable regulation and must be in good standing. Immediate notice to ECCF is required in the event registration lapses or is revoked for any reason. Firms must agree to comply with published ECCF investment policies related to nominated accounts
- Financial Advisor agrees to participate in an Annual Review with ECCF's CFO
- Financial Advisor must provide quarterly portfolio appraisals and performance reports to ECCF for all charitable fund accounts under their supervision in the program. Financial Advisor agrees to share all reports and/or statements sent to donor/client with ECCF and ensure ECCF has third party access to account reporting.
- Fees assessed on individual charitable fund accounts must be fair and reasonable and in no case higher than fees on comparable accounts managed by the firm outside the AMF program.
- Financial Advisor agree to promptly notify ECCF if they are or become the subject of a regulatory action or civil or criminal lawsuit or are in material violation of terms of any contract relating to the program.
- Financial Advisor and his/her firm represent that they understand that assets placed in an ECCF charitable fund are irrevocably transferred to ECCF, and that ECCF retains sole control over the disposition of such assets, including investment management of the assets and distribution of such assets. The variance powers provided in Section 170 of Federal tax regulations dictates that ECCF may remove the participating firm or individual from its management role in a specific account or may remove the firm or individual from the program in total.
- Financial Advisor represent that they will not manage assets in the AMF program for themselves, members of their immediate families or their employees.
- All accounts managed under the AMF program revert to ECCF Investment Management upon Financial Advisor retirement or other exit from primary account management
- Financial Advisor and his/her firm must successfully complete account-opening procedures and provide all required documentation in a timely manner and over time as necessary to comply with the terms of the AMF program.

### **FINANCIAL ADVISOR RESPONSIBILITIES**

Essex County Community Foundation (ECCF) takes seriously its stewardship responsibility, recognizing that each donation – no matter the size – reflects an implicit trust that ECCF will carry out a donor's charitable wishes. Likewise, ECCF requires all financial advisors in the Advisor Managed Fund (AMF) program to manage funds in a prudent manner consistent with the purpose and goals of the fund they are managing. In addition, financial advisors, and the firms they work for, must comply with the following:

1. Financial advisors, firms, and all employees of such advisors shall always operate in compliance with all applicable laws and regulations.

2. Financial advisors must adhere to the ECCF’s Investment Policy Statement (provided as part of this package) and professional and industry standards in managing charitable fund accounts.
3. Financial advisors shall notify ECCF of any material change related to the firm, professionals, and/or in investment style applied to accounts in the program.
4. Financial advisors shall seek best price and execution for all security trades and shall comply with all regulations concerning “soft dollars.”
5. Financial advisors shall not, at any time, charge higher fees or commissions to the donor’s fund at ECCF than charged to the donor’s personal accounts managed in a similar manner.
6. Financial advisors shall disclose all perceived or actual conflicts of interest, and all economic ties, commitments, or familial relationships between and amongst the donor and the financial advisor. Family members are prohibited from serving as investment advisors on ECCF’s charitable funds or accounts in the program.
7. Financial advisors are prohibited from engaging in the following types of transactions on behalf of ECCF:
  - Any transaction that could cause a problem with ECCF’s tax-exempt status. For instance, a charitable remainder trust must not incur any unrelated business income tax liability; or
  - Any transaction that results in leveraging the assets of ECCF unless such transaction is disclosed in writing to ECCF prior to the transaction; or
  - Excluding mutual funds or Exchange Traded Funds (ETFs), any transaction investing in private placements, lettered stock, futures contracts, swaps, synthetic securities, derivatives, options, short sales, margin transactions or other specialized investment activities unless such transactions are disclosed in writing to ECCF prior to the strategy or any transaction by the manager. As a general matter, investment strategies involving these types of transactions will not be approved by ECCF.

For the avoidance of doubt, financial advisors should consult with ECCF prior to engaging in any transactions for which the consequences to ECCF from an economic, accounting, regulatory or tax perspective are uncertain or unknown



I have read and understand the program details, requirements, and advisor responsibilities related to ECCF’s Advisor Managed Funds program. I will adhere to these requirements as an advisor in this program.

**Print Name:** \_\_\_\_\_

**Print Financial Advisor Firm Name:** \_\_\_\_\_

**Please submit this completed agreement to ECCF staff. Upon review, you will receive a copy requesting your official e-signature.**

**E-Signature:**

**Date:**

Month / Day / Year