

National Catholic Community Foundation

Charitable Gift Annuity Policy

In recognition of the importance of charitable gift annuities as part of the program of the National Catholic Community Foundation (hereinafter "the Foundation") and in an effort to ensure that gift annuities are beneficial both to donors and to the Foundation, the Board of Trustees has adopted the following policies:

1. The Foundation's gift annuity program shall be conducted in compliance with all applicable requirements of federal and state laws, including the laws of any states where the Foundation may issue gift annuities to donors.
2. The Foundation will issue both immediate and deferred gift annuities. The deferred annuities may have either a fixed or flexible payment-beginning date.
3. The annuity rates offered to donors by the Foundation in connection with gift annuity contributions shall be those suggested from time to time by the American Council on Gift Annuities, although in any given instance a donor may agree to a rate lower than the rate then offered by the Foundation. When a donor agrees to a lower-than-published rate, this fact should be documented either by an addendum to the gift annuity agreement (as required in California) or by a signed consent form or memorandum in the file.
4. The minimum contribution for a gift annuity shall be \$10,000, though the Foundation may approve a smaller amount in some circumstances, such as when the donor is establishing a number of substantially similar gift annuities.
5. If the proposed contribution for an annuity will exceed \$500,000, or if a proposed contribution plus contributions for previous annuities on the life (lives) of the same annuitant(s) will exceed \$500,000, the Foundation, may reinsure all or a portion of the payment obligation, consistent with the requirements of any applicable state laws.
6. Gift annuity payments may be made to one person for life or to two persons, either concurrently or successively, for life.
7. In the case of an immediate gift annuity, the minimum age of the annuitant of a one-life annuity, or the younger annuitant of a two-life annuity, shall be 60. Any exceptions must be approved by the Foundation.
8. In the case of a deferred gift annuity, whether the payment beginning date is fixed or flexible, the minimum age of the annuitant of a one-life annuity or younger annuitant of a two-life annuity, at the time contributions is made shall be 50; the minimum age at the time payments begin shall be the same as for immediate annuities, 60. Any exceptions must be approved by the Foundation.
9. Annuity payments shall ordinarily be made quarterly at the end of each calendar quarter, although at the request of the donor they may be made semi-annually or annually at the end of the period. Monthly payments require the prior approval of the Foundation.
10. Gifts of cash and marketable securities that are in accordance with the above policies do not require approval of the Foundation. A gift annuity funded with any other property must be

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approved by the Foundation. Such approval should not be granted unless steps are taken to minimize the risk to the Foundation.

11. The Foundation shall establish and maintain a gift annuity reserve fund, or more than one reserve fund if such is required as a result of offering gift annuities in a state that requires a separate fund. The Investment Committee shall oversee the management of the fund, including the investment of fund assets. The full amount of all gift annuity contributions shall be deposited in the fund, and all earnings on fund assets shall be credited to the fund. Disbursements from the fund may be made for the following purposes: to make annuity payments; to pay for the costs associated with investing and managing fund assets and administering the gift annuity program; and to make available to the Foundation for its charitable purposes (as designated by the gift annuity donor(s), if applicable) the amount of fund assets attributable to a particular annuity obligation upon satisfaction of that obligation. Disbursements for any other purposes must be approved by the Board of Trustees.

12. The investment council shall approve the asset allocation of the gift annuity reserve fund (s) with the objectives of (1) realizing a net total return on gift annuity reserves that equals or exceeds the net-return assumption on with the American Council on Gift Annuity suggested rates are currently based and (2) minimizing investment risk and volatility.