



Union Presbyterian Seminary Gift Acceptance Policy

Purpose of Gift Acceptance Policy

To encourage gifts consistent with the values and objectives of Union Presbyterian Seminary and to identify, manage, and minimize problems and issues with complex gifts.

Gift Acceptance Committee

A committee comprising the following, or his/her designee, will have ultimate authority to accept or decline gifts on behalf of the President and Board of Trustees:

- The Vice President, Advancement and
- The Vice President of Finance and Administration.

Committee members will communicate either in person, by telephone, or electronically to make decisions regarding any proffered gift that does not fall within the standards described in the Gift Acceptance Policies or Gift Acceptance Procedures documents. The Committee will consult with appropriate faculty and/or staff regarding the usefulness of specific gifts to applicable programs and/or departments.

Tax Identification Number

The Seminary's tax identification number is sometimes required to complete a gift: 54-0506428.

Donor Recognition

The Hallelujah! Legacy Society recognizes the many generous alumni/ae and friends who have included Union Presbyterian Seminary in their estate plans.

Donors also may be recognized with specific naming opportunities based upon the size and purpose of their gifts. See Appendix F.

Acceptable Property for Outright Unrestricted Gifts

- A. Cash and cash equivalents
 1. Gifts in the form of cash, checks, money orders, credit card charges, electronic bank transfers, wire transfers, and payroll deduction gifts shall be accepted regardless of amount unless, as in the case of all gifts, there is a question as to whether the donor has sufficient title to the assets or is mentally competent to legally transfer the funds as a gift to Union Presbyterian.

2. All checks should be made payable to "Union Presbyterian Seminary" and shall never be made payable to an employee, agent, or volunteer for credit to Union Presbyterian.
3. Union Presbyterian may also accept gifts in foreign currencies and will be responsible for any exchange fees associated with such gifts.
4. Undesignated gifts of \$10,000 or less will be directed to the Annual Fund for the year in which funds are received.
5. Checks and cash received at the Seminary's mail room will be processed immediately by Advancement Services and the check or cash will be forwarded to the Business Office for prompt deposit.
6. Notice of gifts will be forwarded to the assigned gift officer for acknowledgement and stewardship.
7. Gifts will ordinarily be receipted within 3 business days of receipt by the Seminary. See Gift Receipting Procedures below.

B. Publicly Traded Securities

1. Securities that are traded on the New York, NASDAQ, American stock exchanges or other readily marketable securities, shall be accepted by Union Presbyterian. Donated securities ordinarily will be sold immediately by Union Presbyterian. No employee, agent, or volunteer working on behalf of the Seminary shall commit to a donor that a particular security will be held by the Seminary.
2. Securities will be valued at the average of the high and low trading price on the first day the gift is legally in the possession of Union Presbyterian.
3. Acknowledgement of gifts of securities will state the date the gift is completed at the Seminary and the recommendation that the donor consult his/her tax advisor when claiming an income charitable tax deduction.
4. This gift acknowledgement will ordinarily be sent within 48 hours of gift completion.
5. See Appendices A and B for specific transfer instructions.

C. Restricted Securities

1. If the securities are subject to restrictions that affect their value to the donor or prevent the securities from being freely traded (e.g. SEC restrictions under rule 145), the donor must obtain a qualified appraisal to establish deductibility for federal income tax purposes as specified by IRS regulations. When a qualified appraisal exists, Union Presbyterian gift credit will be the amount of this appraisal. In cases when the donor has not received a qualified appraisal, the amount of gift credit must be approved by the Gift Acceptance Committee. These restricted securities may be accepted after approval of the Gift Acceptance Committee, the Vice President of Finance and Administration, or

his/her designee. Such gifts will not be approved if they are likely to generate unfavorable tax or financial consequences for the Seminary.

2. Exceptions to this policy may be approved only by the Gift Acceptance Committee or the Vice President of Finance and Administration.
3. Acknowledgement of gifts of securities will state the date the gift is completed at the Seminary and the recommendation that the donor consult his/her tax advisor when claiming an income charitable tax deduction.
4. This gift acknowledgement will ordinarily be sent within 48 hours of gift completion.
5. See Appendices A and B for specific transfer instructions.

D. Closely Held Securities

1. Non-publicly traded securities may be accepted only with approval of the Gift Acceptance Committee or the Vice President of Finance and Administration.
2. Such securities may be subsequently sold with the approval of the Gift Acceptance Committee or the Vice President of Finance and Administration.
3. Prior to completion of a gift, no commitments by Union Presbyterian to the donor shall be made regarding re-purchase of such securities.
4. Acknowledgement of gifts of securities will state the date the gift is completed at the Seminary and the recommendation that the donor consult his/her tax advisor when claiming an income charitable tax deduction.
5. This gift acknowledgement will ordinarily be sent within 3 business days of gift completion.
6. See Appendices A and B for specific transfer instructions.

E. Mutual Fund Shares

1. Shares of mutual funds shall be accepted by Union Presbyterian. Donated securities ordinarily will be sold immediately by Union Presbyterian. No employee, agent, or volunteer working on behalf of the Seminary shall commit to a donor that a particular security or mutual fund will be held by the Seminary.
2. Mutual fund shares will be valued as described by IRS code.
3. Acknowledgement of gifts of mutual funds will state the date the gift is completed at the Seminary and the recommendation that the donor consult his/her tax advisor when claiming an income charitable tax deduction.
4. This gift acknowledgement will ordinarily be sent within 3 business days of gift completion.
5. See Appendix C for specific transfer instructions.

F. Real Property

1. No gift of real estate shall be accepted without prior approval by the Gift Acceptance Committee. At least one member of the Advancement staff will make a site visit to the proposed gift property whenever feasible.
2. No gift of real estate shall be accepted without a current appraisal provided by the donor at his/her expense by a qualified appraiser as required by the Internal Revenue Service.
3. Environmental reports appropriate for the type of property to be transferred will be completed prior to completion of the gift. Transaction screening of residential property shall be made at the expense of the donor.
6. Donors will be asked to make gifts of cash to cover taxes and insurance on gifts of real estate until such property can be sold.
7. In general, contributions of real estate will not be approved if the property is encumbered by debt, if the donor cannot provide clear title, if there are significant carrying charges on the property, or if it shows signs of significant environmental damage or risk.
8. Acceptance of real estate to fund a charitable gift annuity is subject to approval by the Gift Acceptance Committee.
9. Union Presbyterian reserves the right to sell or otherwise dispose of property received as gifts or to develop the property in any way that will benefit the mission of the Seminary.

G. Tangible Personal Property

1. Gift of tangible personal property (such as jewelry, artwork, and certain collectibles) will generally be accepted by Union Presbyterian if they qualify as "related use" items within the IRS Code or are readily marketable by the Seminary.
2. Related use will be determined by the Gift Acceptance Committee in consultation with appropriate department heads, deans, or others who may use the property.
3. Proposed gifts of tangible personal property should be accompanied by a statement of provenance and a full description of the property. Donors will be advised that they must secure an independent appraisal as described by IRS code to claim an income tax charitable deduction.
4. If items are to be sold, the Seminary will so notify the donor of its intent and will provide donor a copy of IRS form 8282 for his/her tax purposes. The Advancement Office will also remind the donor to file IRS form 8283, under guidance of his/her professional tax advisor, for a charitable income tax deduction.

5. Personal property shall be accepted by Union Presbyterian if the property can be used by the Seminary. No personal property shall be accepted requiring ownership in perpetuity without express approval of the Gift Acceptance Committee. No perishable property or property that will require special facilities or security will be accepted without prior approval of the Gift Acceptance Committee.

H. Other Property

Other property, including mortgages, notes, copyrights, royalties and easements, whether real or personal, may be accepted only upon approval by the Gift Acceptance Committee.

Deferred Gifts

A. Bequests

1. Gifts (bequests) through wills shall be encouraged through publications and personal conversation with current and potential donors.
2. Staff and volunteers of the Seminary will provide guidance and appropriate language to prospective legators at their request and through public venues as appropriate. (Appendix D) Donors will be encouraged to consider the mission and vision of the Seminary and its stated needs when establishing a future gift, allowing the Seminary as much flexibility as possible in accepting and using the gift. Whenever possible, attempts shall be made to discover bequest plans in order to determine whether inappropriate property has inadvertently been left to Union Presbyterian Seminary.
3. Unacceptable gifts of property from the estates of deceased donors may be disclaimed by the Gift Acceptance Committee. The legal counsel of Union Presbyterian shall expeditiously communicate the decision of the Seminary to the legal representatives of the estate.
4. If undesignated bequests are received in the amount of \$10,000 or less, the funds will be directed to the Seminary's Annual Fund for that year. 90% of bequest gifts greater than \$10,000 will be added to the Seminary's endowment with the remaining 10% directed to the Annual Fund.

B. Charitable Remainder Trusts and Charitable Lead Trusts

1. In general, Union Presbyterian will not serve as trustee of charitable remainder trusts or charitable lead trusts.
2. The Seminary will identify a limited number of corporate fiduciaries that hold such trusts. Only when specifically asked, may corporate fiduciaries be recommended to donors. Donors will be encouraged to interview potential trust officers and make their own informed choices.
3. Fees related to a charitable remainder trust or a charitable lead trust will be paid by the trust and not by Union Presbyterian.

4. Union Presbyterian's staff and volunteers acting on behalf of Union Presbyterian should be familiar with the types of property generally accepted by corporate fiduciaries as suitable contributions to charitable remainder and lead trusts. Employees or others acting on behalf of Union Presbyterian shall encourage donors to make gifts of any property to charitable remainder and lead trusts that are in keeping with such guidelines and IRS regulations. Those unfamiliar with these guidelines should encourage potential donors to consult a member of the Advancement staff.
5. No representations shall be made by any employee or other persons acting on behalf of Union Presbyterian as to the manner in which charitable remainder or lead trust assets will be managed or invested by a corporate fiduciary.
6. Charitable remainder trusts, charitable lead trusts, and other life-income gifts shall be encouraged for gifts to Union Presbyterian. Such trusts shall not be marketed as tax avoidance devices or as investment vehicles, since such activity may violate federal and/or state securities regulations.

C. Charitable Gift Annuities

1. No Gift Annuity shall be established that names an income beneficiary less than 55 years of age without prior approval of the Gift Acceptance Committee.
2. Deferred Gift Annuities shall be accepted from younger donors when the income stream begins at age 60 or after.
3. There shall not be more than two income beneficiaries for a Gift Annuity as stated by federal law.
4. The minimum initial contribution for a Gift Annuity shall be \$10,000.
5. Additional annuities with an existing CGA donor may be established for lesser amounts on a case-by-case basis. The Vice President of Advancement will determine acceptability of these gifts.
6. Gift annuity rates to be offered are those set by the American Council on Gift Annuities.
7. Donors of gift annuities will be given the Seminary's disclosure statement, as mandated by law, prior to completion of the gift. (Appendix H)
8. Gift annuity agreement contracts will be completed in duplicate with a copy for both the donor and Union Presbyterian. (Appendix I)
9. Gift annuities from donors in states other than Alabama, Florida, Georgia, Illinois, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, and Virginia, will be established through the Presbyterian Foundation, unless additional state registration is preferable at the time.

9. Original CGA contracts will be held by the Assistant Secretary/Controller of the Seminary, in the vault, with copies going to the Vice Presidents of Finance and Administration and Advancement.
10. Copies of each CGA calculation of benefits and tax projections will also be sent to the Vice President of Finance and Administration.

D. Life Estate Gifts

The Gift Acceptance Committee may approve gifts in which the donor retains a life interest in real property. The Committee will be assured by staff handling the transaction that there has been full disclosure to the donor of possible future ramifications of the transaction.

1. An appropriate contract will be completed between the Seminary and the donor, delineating all details of the life estate arrangement.
2. Duplicate originals of the contract will be completed, with copies going to both the donor and the Seminary.
3. The office of Advancement will be responsible for monitoring the relationships with the donors of life estate gifts, calling upon appropriate persons in the office of Administration as needed.

E. Gifts of Life Insurance

1. Union Presbyterian encourages donors to name the Seminary to receive all or a portion of the benefits of life insurance policies that they have purchased, are fully paid for, and are no longer needed by the donors.
2. Gifts of life insurance may be accepted when the Seminary is the sole owner and beneficiary of the life insurance policy.
2. Union Presbyterian will not accept gifts from donors for the purpose of purchasing life insurance on the donor's life.
3. Union Presbyterian reserves the right to convert the policy to cash or otherwise dispose of a policy or contract.
3. Lists of Union Presbyterian donors will not be furnished to anyone for the purpose of marketing life insurance benefiting donors and/or the Seminary as this practice constitutes a potential conflict of interest and may be construed as involvement in the marketing of life insurance.

Restrictions on Use and Investment of Gifts

1. Gifts restricted for use by a specific unit of the Seminary or at the discretion of a particular member of the faculty or staff must be related to the Seminary's vision and mission. Such restricted gifts are acceptable only if they are to be applied to existing programs and uses (e.g. scholarships) and with advance approval by the Gift Acceptance Committee.

2. Restrictions by the donor on gift use or investment by Union Presbyterian outside the mission or current programs are not acceptable.
3. Minimum gift levels, as established in Union Presbyterian Gift Opportunities documents (Appendix F), are required unless specific exception is granted by the Gift Acceptance Committee.
4. Gifts for permanent endowment that are designated for specific uses should have an Endowment Agreement executed. (See Appendix G.)

Gift Receipting Procedures

Receipts for gifts will be generated by the assigned gift officer, ideally within 3 business days of their being processed by the Advancement Services department. Gift receipts will be in the amounts determined by the IRS code.

Credit for gifts (for tax deduction purposes) is given directly to the person, persons, or organization making the gift. “Soft” or secondary credit may be given to persons instrumental in completing the gift for recognition purposes.

Gift receipts will include information for the donor regarding any *quid pro quo* arrangements in the gift transaction as determined by the IRS code. Any staff member or volunteer of Union Presbyterian should discuss such situations prior to printing invitations, notices, et cetera with a member of the Advancement staff in order to ensure correct and timely information is given to potential donors.

Minimum Amounts for Endowed Funds

The Gift Acceptance Committee has set minimum amounts to establish certain endowed funds for efficient and effective management and operations, such as buildings and physical plant, maintenance funds, chairs, professorships, lectureships, travel or other student or faculty assistance funds, etc. See Appendix F for current minimum endowment levels.

Campaign Gift Counting

All gifts will count toward a campaign goal when designated for a campaign priority, including emerging priorities as they are defined, and completed within the stated campaign counting period. Gifts given before or immediately after the counting period may be counted at the discretion of the Gift Acceptance Committee if designated for a specific campaign priority.

All gifts are valued as regulated by IRS statutes and CASE, PPP, and AFP guidelines.

APPENDICES

- A. Procedure for Gifts of Securities
- B. DTC Transfer Information
- C. Mutual Fund Transfer Information
- D. Bequest Information
- E. Naming Opportunities
- F. Minimum Endowment Fund Levels
- G. Endowment Agreement
- H. Gift Annuity Disclosure Statement
- I. Standard Gift Annuity Contracts: Alabama, Florida, Georgia, Illinois, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, Virginia

Appendix A: Procedure for Gifts of Securities

- I. Hand Delivery
 - A. The donor should sign, but otherwise NOT complete, an “Irrevocable Stock or Bond Power” form without signing the certificate(s) itself. The signature must read exactly as the name(s) on the stock certificate.
 - B. The form requires that the donor’s signature be guaranteed. A bank officer who knows the donor may guarantee the signature.
 - C. Donors should not fill in “Union Presbyterian Seminary” as the recipient on the stock power form, as it requires two transactions before a sale can be made. (The stock must first be put in Union Presbyterian’s name and then transferred to the next buyer.)
 - D. Recipient (representative of Union Presbyterian) will list the securities on a receipt, including the name of the security, the certificate number, the number of shares, and the purpose of the gift.
 - E. The Seminary staff recipient will sign the receipt and give it to the donor.
 - F. If the donor has already signed (endorsed) the back of the certificate(s), transfer forms are not needed. Signed certificates are negotiable as cash and should be handled accordingly. (The Seminary prefers that donors not name the Seminary as the new owner on the certificate because it will most likely sell the security and this just adds to the paperwork.)
 - G. The effective gift date is the day the physical transfer of paper is made.
- II. Mail Delivery
 - A. Donors should mail unsigned certificates by certified mail (return receipt requested) to The Advancement Office, Union Presbyterian Seminary, 3401 Brook Road, Richmond, Virginia 23227. A cover letter should be enclosed that states the donor’s name and address and the designation of the gift.
 - B. In a separate envelope, donor should mail a signed, but otherwise NOT completed, stock transfer form (“Irrevocable Stock or Bond Power”), with a copy of the gift designation letter, to the same address.
 - C. If an endorsed certificate naming Union Presbyterian as the transferee is mailed (which is risky), the packet should be insured for the fair market value of the stock and a return receipt should be requested. This is the most expensive way to transfer stock - thus this method should be discouraged.
 - D. The effective gift date is the date of the postmark on the envelope containing the certificate.

- III. Electronic Funds Transfer (account to account)
- A. Notify your broker in writing to transfer a specific number of shares (generally those with the lowest cost basis) to Union Presbyterian's account. Our most active account is with Wells Fargo Advisors.
 - B. Only Union Presbyterian Seminary can issue a sell order for stock transferred to us.
 - C. Donors should notify Union Presbyterian of an impending or completed transfer. Brokerage firms often do not notify the transferee until the next monthly statement date, which may cause the Seminary to lose money on a timely sale of the securities.
 - D. The effective gift date is the date on which the transferred securities are actually received into the Seminary's brokerage account. If donors want the transfer made to take advantage of market prices, they must clearly specify this to their brokers.

Appendix B: DTC Stock Transfer

Union Presbyterian Seminary Broker	Wells Fargo Advisors Ann Farrar Investment Officer
Account Name	Union Presbyterian Seminary
Account Number	62416098
DTC#	0141
Union Presbyterian Seminary's Tax ID	54-0506428
Broker's Address	1800 Bayberry Court, Suite 100 Richmond, VA 23226
Broker's Phone	(800) 368-2201 or (804) 229-2200
Ann Farrar's Direct Line & Email	(804) 289-2242 Ann.farrar@wellsfargoadvisors.com
Union Presbyterian Seminary Contact	Marvin Daniel Vice President of Advancement 3401 Brook Road Richmond, VA 23227 (800) 229-2990, ext. 240 (804) 278-4240 Marvin.daniel@upsem.edu

Appendix C: Mutual Fund Transfer Instructions

The transfer of mutual fund shares is a time-consuming process and may take several weeks to complete. There are several key points to observe when considering a charitable gift using mutual funds.

Transfer in Kind: Do not sell or redeem. It is important that the mutual fund gift be transferred into Union Presbyterian Seminary's name. If it is sold from the donor's account, then the gift becomes a gift of cash rather than a gift of securities and the donor will be responsible for the tax on capital gain.

I. **Timing:** As with other securities, the mutual fund is not considered a gift (for tax purposes) until it has been issued in Union Presbyterian's name. There is significant variability from fund to fund with regard to how long a transfer will take. Generally, the transfer is dependent upon several variables: how the fund is held, how responsive the mutual fund is to transfer requests, and how complete the transfer request is.

II. **Where and How a Mutual Fund is Held:** Mutual fund shares can be held in three forms: certificate form (physical), in a brokerage account, or with the fund itself.

III. **Required Transfer Paperwork:** Most funds will require several documents from the donor and Union Presbyterian to effect the transfer. The process varies with each fund so it is important to contact the fund first in order to determine the appropriate paperwork needed. Individual mutual fund companies may require some or all of the following:

A. Letter of Instruction from the Shareholder: This should state what he or she is giving, when it should happen, to whom it is being given, the account number from which the mutual fund is coming, and to whom the transfer agent should speak if there are questions. The letter must be signed by the account owner(s) and should be signature-guaranteed.

B. Letter of Instruction from Union Presbyterian: This will confirm the source of the expected gift, convey a new account application and corporate resolution, and provide the name of the contact person at the Seminary.

C. New Account Application from Union Presbyterian: Most mutual funds will require that Union Presbyterian complete its own account application although Union Presbyterian may already have an account with the mutual fund.

D. Corporate Resolution from the Seminary: This may be obtained from the offices of Advancement or Administration (Controller of the Seminary and Assistant Secretary of the Board of Trustees). It contains the names of the individuals who are authorized to accept gifts on behalf of the Seminary and is stamped with Union Presbyterian's corporate seal.

E. Form W-9 from Union Presbyterian: Some funds will require this, as it contains Union Presbyterian's taxpayer identification number.

F. Example donor Letter of Instruction to broker for gift of mutual fund shares:

[Date]

[Name]

[Address]

[City, State Zip]

Dear Sir/Madam:

Please transfer [*not exchange or redeem*]) _____ [number of] shares in the _____ [fund name] from my account number _____ (number of donor's account) to a new account in this fund in the name of Union Presbyterian Seminary, tax identification number 54-050-6428, for a charitable gift. Enclosed is a copy of a recent statement of my account with your firm for your reference.

Should new account forms need to be completed by Union Presbyterian Seminary, please forward the application to the Advancement office at the address referenced below along with the name and telephone number of the staff person in your firm who will be processing the application.

Please send confirmation of this transfer to me and to Union Presbyterian Seminary, attention [advancement officer name and address].

Thank you for your prompt attention.

Sincerely,

Donor's Signature

Signature Guarantee

Date

Appendix D: Bequest Information

The following information may be given to any prospective donor considering including Union Presbyterian Seminary in his/her estate plans:

“Thank you for your inquiry about including Union Presbyterian Seminary (UPSem) in your will. As you may know, bequests can take several forms. Cash bequests provide a fixed gift regardless of the overall size of your estate (debts and expenses permitting). Gifts of a percentage of your estate (or the residuary thereof) will change in size along with your estate (although residuary bequests will only be paid after debts, expenses, and other bequests both general and specific). Your intention for bequests of designated items of property (e.g. securities or personal property) can easily be frustrated by changes in your assets over time and should usually be avoided. You should seek legal advice on this or any matter relative to your will or estate planning.

You and your attorney may consider the following in drafting a suitable bequest provision for a specific dollar amount:

I give and bequeath to the trustees of Union Presbyterian Seminary, a not-for-profit corporation existing under the laws of the Commonwealth of Virginia and located at Richmond, Virginia, and Charlotte, North Carolina, the sum of _____ Dollars (\$_____).

For a percentage bequest, you may want to use the following:

I bequeath and devise all (or a percentage) of my property [or the residue], real or personal, tangible and intangible, wheresoever situated, including all property to which I may hereafter become entitled after the execution of this will, to the trustees of Union Presbyterian Seminary, a not-for-profit corporation under the laws of the Commonwealth of Virginia and located in Richmond Virginia, and Charlotte, North Carolina.

The precise language you decide to use will, of course, depend upon the portion of your estate you wish for the seminary to have. In that respect, you are your own best guide, and your lawyer is your best counsel on how to effectuate your intentions. This language is offered as a starting point.

A bequest of \$50,000 or more can be designated to be held as a named endowment fund to support student aid (scholarships), the general operating budget, or for any other appropriate purpose other than faculty support. A bequest of \$100,000 or more can be designated to be held as a named endowment Fund for Teaching Excellence to support faculty. A certain percentage, as annually determined by the Board of Trustees for the aggregate of all endowed funds, of the total return of each fund will be treated as income from the fund and spent for the purpose designated at the fund's establishment. Such an endowment fund can be named for yourself or someone else.

That being said, unrestricted gifts are the most useful to Union because such gifts can be spent on the many unforeseen needs that continually challenge us as we pursue our mission of providing educated and faithful leaders in pulpit and educational ministry.

It is a pleasure to inform you that by including Union Presbyterian Seminary in your will, you become a member of the Hallelujah! Legacy Society. The Society honors persons who have remembered Union through a bequest in their wills or other planned giving arrangements such as gifts through a charitable gift annuity, a trust, or a life insurance policy. Bequests such as you are considering have, over the years, made the difference in Union's ability to provide the finest in theological education and produce the best in educated and faithful clergy and Christian educators for the church.

The ultimate beneficiaries of your generosity will be the legions of churchgoers whose faith will be strengthened and lives enriched by our graduates' ministries. In the meantime, you will have our gratitude for helping us to discharge the task that God has set for us.

There is one request. Union's own financial planning would benefit from your letting us know what you have done for us. Once you have included the seminary in your plans, please inform us, so that we can thank you and join with you in observing any designation you may attach to your gift. A note or e-mail will suffice, and it would be of great help to have, if possible, a copy of your will or of the page that refers to Union Presbyterian Seminary. Whatever you send will be kept secure and strictly confidential.

Thank you again for thinking of supporting Union Presbyterian Seminary in this way.

Contact information:

Marvin Daniel
Vice President, Advancement
804.278.4240 or 800.229.2990 ext. 240
Marvin.daniel@upsem.edu

You requested information for making a wire transfer into our bank account to be deposited into our school's account. Please send your transfer to:

SunTrust Bank, Richmond, VA
ABA # 061000104
Credit Account # 13-06-065
Account Name: Union Presbyterian Seminary

BIC Code (for International Wires): SNTRUS3ARIC

If you have questions about these directions, you may contact me at 804-278-4235 or by e-mail: jbritton@upsem.edu

Appendix F: Minimum Endowment Fund Levels

To maintain a separate, named, endowed fund for a particular purpose, certain minimum levels of funding are required in order to manage Seminary funds responsibly. These minimum levels are as follows:

Programs, scholarships, unrestricted endowment funds	\$50,000
Funds for Teaching Excellence (faculty support endowment)	\$100,000
President's Merit Award (tuition only)	\$200,000
<i>Full Merit Awards</i>	\$500,000
Named Faculty Chair **	\$2,750,000

Notes:

** Approved by Board of Trustees, May 2010

Appendix G: Endowment Agreement

Endowment Number _____

[NAME OF THE PERMANENT ENDOWMENT FUND]

Prologue

[Where appropriate and meaningful, here is a place to have a brief paragraph describing the honoree(s), and how his/her/their lives, interests or ministries connect to the purpose of the fund. -- perhaps ending with something like: "The ___[Name of the Fund]___ recognizes his/her/their substantial contributions to the church and society, and will help enable the education, training, and preparation of future church servant leaders."]

Agreement

In tribute to the life/lives and witness of _____, as set forth in the above *Prologue*, I (we), of City, State ("The Donor[s]"), and Union Presbyterian Seminary, a Virginia non-stock corporation ("Union Seminary") located in Richmond, Virginia, [and Charlotte, North Carolina] in consideration of The Donor's [s'] Gifts and Pledges (as herein defined) of ___[\$X,XXX,XXX]___ to Union Seminary, do hereby agree to create the ___[Name of the Fund]___ Permanent Endowment Fund ("The Fund"), a permanent endowment fund owned by Union Seminary, to be administered according to the general practices for the management of endowments at Union Seminary, as such practices may be amended from time to time and subject to the following provisions:

1. The Fund shall be entered in Union Seminary's books and records as the ___[Name of the Fund]___ Permanent Endowment Fund, and shall always be so designated. The Corpus of The Fund, which shall be an amount equal to the arithmetic sum of the original dollar value of each Gift made to The Fund, shall never be subject to invasion or used for expenditures, except as otherwise provided below. The Balance of The Fund, which shall be the amount equal to the Corpus plus any unspent Total Annual Return, as defined below, may, for investment purposes, be merged and commingled with the general investment assets of Union Seminary.
2. The Fund's Total Annual Return shall mean all interest, dividends, capital returns, or payments of any kind, together with appreciation in the value of Balance of The Fund. The Proceeds of the Fund (defined as a portion of the Total Annual Return determined by the Board of Trustees), but not The Corpus of The Fund as defined in paragraph 1 above, shall be used each year to support ___[the purpose/program that The Fund supports, e.g. the

Bucks and Moni Richright Scholarship Fund or the I. M. Rich Chair in _____]. The Proceeds shall not exceed Union Seminary's annual draw percentage, as determined by the Board of Trustees, from its general endowment funds.

Any amount of The Fund's Total Annual Return that remains unspent at the end of any year may be accumulated and temporarily reinvested. Such accumulations (together with any interest or dividends thereon) may be used in subsequent years for the purpose set forth in this instrument.

In the event that the recognized needs for which The Proceeds may be spent have already been funded from The Fund, or from other sources in any given year, then all or any portion of the Fund's Proceeds may be used for Union Seminary's general educational program.

3. If, subsequent to the execution of this document, the Union Seminary Board of Trustees determines that the purpose designated to be supported by Total Annual Return of this Fund no longer exists or is not viable or practical as a part of the on-going mission of Union Seminary, then The Fund's Total Annual Return (together with any accumulations thereof) shall be used to further the objectives and purposes of Union Seminary. In all such cases, the Total Annual Return of this Fund shall be so used only after giving due consideration to the original intent of The Donor(s).
4. *[Optional]* The minimum funding objective for The Corpus of The Fund is \$_____. It is the good faith intent of The Donor(s) to achieve this objective within five years after the execution of this instrument. If this objective is not met within the five-year period, Union Seminary reserves the right to expend The Corpus of The Fund for the designated purpose of The Fund, or at its discretion, to extend the time period.
5. Any individual, church, foundation, corporation, or other entity may make additions to The Corpus of The Fund at any time and such additions shall be made subject to the provisions of this instrument.
6. For purposes of this document, "Gift" shall mean U.S. dollar denominated cash, checks, money orders or readily marketable securities listed on a National exchange in the United States and such other assets as may be acceptable to Union Seminary under its then current gift acceptance policy. "Pledge" shall mean any written instrument indicating a donor's intention to make a specified dollar amount of future Gifts.
7. This agreement will be governed and construed according to the laws of the Commonwealth of Virginia.

Signed:

By: _____

[Print name(s) of donor(s) below signature]

By: _____

Jennifer D. Britton, Vice President for Finance
& Administration, Union Presbyterian Seminary

Date

Date

Appendix H: Gift Annuity Disclosure Statement

[Date]

[Name]

[Address]

[City, State Zip]

Dear [Name(s)]:

Enclosed is our gift annuity agreement for your review and signature. Union Presbyterian Seminary deeply appreciates your gift of \$_____ to establish your charitable gift annuity. Your generous and far-sighted gift will provide a stable and secure income for you (and spouse's name) and, thereafter, help Union Presbyterian Seminary in its never-ending task of providing the church with finely educated, dedicated, faithful ministers, teachers, and scholars for the church.

To establish your gift annuity, please sign and have your signature(s) notarized where indicated on the enclosed agreement, complete Schedule A, and return them with a signed copy of this letter to the Seminary in the envelope provided. Once the agreement has been executed by our President and Assistant Secretary, a copy will be sent to you along with documentation to aid any substantiation of this gift on your 20__ income tax returns.

Please note these important points about Union Presbyterian Seminary and its gift annuity program:

- This transfer is irrevocable: you cannot receive back what you transfer to Union Presbyterian Seminary after the transfer. Instead, you have the expectation of lifetime income payments equal to ____% of the amount transferred. Your first payment will be on or about [date], prorated to reflect the annuity's establishment during the first payment period.
- With a gift annuity, you simultaneously make a charitable gift and provide guaranteed payments to you for life. The fact that you are making a charitable gift may entitle you to income and/or gift and estate tax deductions. Because a charitable gift is involved, the annuity rates offered by Union Presbyterian Seminary are sometimes lower than those available through commercial annuities offered by insurance companies and other financial institutions.
- These payments are a general obligation of Union Presbyterian Seminary and are backed by all of Union Presbyterian Seminary's assets. As of June (end of last fiscal

year), our total endowment funds exceeded \$___ million and were invested in domestic and international equities and bonds. Union Presbyterian Seminary commingles gifts (such as yours) made with respect to annuities in a pooled investment fund (equities and bonds) managed by SunTrust Banks, Inc. This arrangement maximizes the ultimate return to Union Presbyterian Seminary on the money or property originally received to establish the annuity. It in no way affects Union Presbyterian Seminary's income obligation to you as set forth in the annuity agreement.

- Common investment funds managed by Union Presbyterian Seminary are exempt from registration requirements of the federal securities laws pursuant to the exemption for collective investment funds and similar funds maintained by charitable organizations under the Philanthropy Protection Act of 1995 (P.L. 104-62). Information in this letter is provided to you in accordance with the requirements of that Act.
- In establishing this gift annuity, you take the risk that the assets of Union Presbyterian Seminary will be insufficient to make the periodic annuity payments for which Union Presbyterian Seminary is liable, both to yourself and to others. The assets of Union Presbyterian Seminary (not including real property) include endowment funds exceeding \$___ million and a vested interest in trust funds totaling another approximately \$___million.
- The gift annuity is non-assignable. A charitable gift annuity is designed primarily as a charitable gift, not an investment.
- Your gift annuity will have certain tax consequences, regarding which you should consult your professional tax advisor. Persons who elect to itemize their income tax deductions are entitled to deduct, as a charitable gift, a portion of the face amount of the gift annuity determined by IRS rules. This deduction amount may generally be used to deduct up to 30% of your adjusted gross income (AGI) for gifts of stock and 50% of your AGI for gifts of cash. Any unused deduction amount can be used in any of the next five tax years following the year of the gift. Other limitations on deductibility, such as those provided for by the alternative minimum tax, may also apply, so please consult a professional tax advisor before claiming a deduction for this gift on any income tax return.
- Union Presbyterian Seminary (then named Union-PSCE) was formed by agreement effective July 1, 1997, by the combination of Union Theological Seminary in Virginia, established in 1812, and Presbyterian School of Christian Education, founded in 1914. Effective July 1, 2010, the seminary was legally re-named by action of the Board of Trustees as Union Presbyterian Seminary. Responsibility for governing the organization is vested in that Board of Trustees, now comprised of 32 persons, who are elected to

three-year terms by the board itself as legislated by IRS regulations for 501(3)(c) organizations.

Please signify your receipt of these disclosures by signing this letter where indicated, and returning it in the envelope provided.

Thank you for your generous gift. The Union Presbyterian Seminary community is most grateful for your support of our work in preparing, educating, and equipping men and women for lives of service as pastors, Christian educators, and theological scholars.

In appreciation,

Marvin Daniel
Vice President for Advancement

Enclosures

// We have read and understand the above statements.

[Annuitant name printed below signature]

[Co-annuitant / spouse printed below signature]

Date: _____