

SUSAN G. KOMEN FOR THE CURE®
AFFILIATE GIFT ACCEPTANCE POLICY

*This document now replaces any previous gift
acceptance procedures and policies*

(Adopted June 17, 2008, Revised April 1, 2009)

INTRODUCTION

This Policy focuses on current and deferred gifts and is designed to protect the interests of the Affiliates of SUSAN G. KOMEN FOR THE CURE® (hereinafter individually referred to as “AFFILIATE”).

As used hereafter, the term “HEADQUARTERS” refers to SUSAN G. KOMEN FOR THE CURE headquarters.

The goal is to encourage funding of HEADQUARTERS and AFFILIATE without encumbering the organization with gifts that may generate more cost than benefit, or that are restricted in a manner not in keeping with the goals of Susan G. Komen for the Cure.

To optimize funding from individuals and entities, HEADQUARTERS and AFFILIATE must be capable of responding quickly, and in the affirmative where feasible, to all gifts offered by prospective donors. These procedures must be flexible since some gift situations can be complex, and decisions may be made only after careful consideration of a number of interrelated factors. Therefore, in some instances, this Policy requires that the merits of a particular gift be considered by a Gift Acceptance Committee of HEADQUARTERS or AFFILIATE and a final decision be made only by that Committee.

A Gift Acceptance Committee shall be established by Affiliate (or an existing committee may be repurposed to perform the functions of a Gift Acceptance Committee), the composition of which shall be determined by Affiliate but which should include legal, development and accounting expertise if possible and should be capable of responding in a timely fashion to evaluate gift opportunities. It is recommended that the AFFILIATE Gift Acceptance Committee provide its relevant Affiliate Relationship Manager with a periodic report of its activities.

All gift acceptance policies and procedures of Susan G. Komen for the Cure shall be interpreted in light of two overriding principles:

Principle 1: A gift shall not be accepted by HEADQUARTERS or AFFILIATE if the acceptance would not be in the best interest of the donor. A determination of the donor’s interest shall include the donor’s financial situation, as may be made known to HEADQUARTERS or AFFILIATE, as well as the donor’s philanthropic interests and any tax or other legal matters revealed while planning for a gift. Neither HEADQUARTERS nor AFFILIATE will encourage any gifts that are inappropriate in light of the donor’s personal or financial situation as known to HEADQUARTERS or AFFILIATE at the time of the gift.

In unique cases, a gift may be considered inappropriate due to particular restrictions imposed by the donor. By its very definition, a gift cannot be associated with a private benefit that would jeopardize the charity under IRC section 4758 or the charitable contribution deduction under IRC section 170 if the donor and beneficiary of the restricted gift have less than an arms-length relationship. There must be a distance between the donor and recipient such that the recipient



does not receive benefits that are otherwise not available to colleagues or constituents of similar status and interest.

Principle 2: A gift shall not be accepted by HEADQUARTERS or AFFILIATE unless there is a reasonable expectation that acceptance of the gift will support Susan G. Komen for the Cure in its mission to eradicate breast cancer as a life threatening disease (i.e., save lives and end breast cancer forever) by advancing any one or all of the following purposes: research, education, screening, and treatment.

A glossary of selected terms used in this Policy is attached hereto for reference and consideration.



I. OUTRIGHT GIFTS

A. Cash

1. AFFILIATE and HEADQUARTERS accept gifts of cash, checks and payment by credit card regardless of the amount unless there is a question as to whether Susan G. Komen for the Cure's reputation would be negatively affected, whether the donor has sufficient authority to transfer the funds, or whether the donor is mentally competent.
2. All checks to AFFILIATE should be made payable to the AFFILIATE'S name and all checks to headquarters should be made payable to THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC. or to SUSAN G. KOMEN FOR THE CURE. In no event shall checks be made payable to an employee, agent or volunteer of AFFILIATE or HEADQUARTERS in his or her individual capacity.

B. Publicly Traded Securities

1. AFFILIATE and HEADQUARTERS accept publicly traded securities, or other readily marketable securities. Such securities will be sold promptly after the gift is received unless otherwise approved by HEADQUARTERS' Gift Acceptance Committee.
2. For individuals interested in giving securities to AFFILIATE or to HEADQUARTERS, the following information should be provided:

Brokerage House: UBS Financial Services
Account Name: SUSAN G. KOMEN FOR THE CURE
Account Number: LM 28345
Financial Advisor: Barry Kemball Cook
Telephone Number: 800.323.8424
DTC Number: 0221

Individuals (or entities) who have expressed a desire to give securities and who will use the above brokerage information shall be requested to inform a member of the Development Department prior to transferring securities so that the gift can be properly acknowledged and properly directed to AFFILIATE. AFFILIATE may opt to provide donors with transfer information for a local brokerage house for convenience for gifts of securities made to AFFILIATE. In the event an individual or entity elects to physically deliver the securities to AFFILIATE, such securities must be accompanied with the transferor's signature or stock power attached.



3. For internal gift crediting and accounting purposes, the value of the securities is the average of the high and low on the effective date of the completed transfer to HEADQUARTERS or AFFILIATE.
4. For gift acknowledgment purposes, it is the advice of counsel that HEADQUARTERS or AFFILIATE, as applicable, acknowledges the number of shares received and the date received. No stated dollar value will be included in the acknowledgment letter.

C. Closely Held (or Restricted) Securities

1. Non-publicly traded securities, including but not limited to, restricted securities (e.g. §144 stock), real property, limited partnership interests, and oil and gas interests may be accepted only after approval of HEADQUARTERS' Gift Acceptance Committee. If approved, HEADQUARTERS will process such gifts on behalf of AFFILIATE.
2. Such property may be subsequently disposed of on behalf of AFFILIATE only with the approval of HEADQUARTERS' Gift Acceptance Committee.

D. Real Property

1. Real Property: HEADQUARTERS will process real estate gifts on behalf of AFFILIATE, with cooperation from AFFILIATE. No gift of real estate shall be accepted by AFFILIATE or HEADQUARTERS' Gift Acceptance Committee without: (1) an Environmental Site Inspection (Level I, where necessary) and the completion by a Komen representative, in consultation with a living donor, of a real property disclosure checklist (see Attachment A), including a real property environmental checklist (see Attachment B) signed by the donor, if the donor is living and able to sign; (2) a preliminary title report or commitment for title insurance allowing AFFILIATE or HEADQUARTERS to obtain a title insurance policy for the property subject only to title exceptions accepted by the Gift Acceptance Committee of HEADQUARTERS; and (3) receipt of a recent appraisal by an independent appraiser with an MAI designation and who is approved by AFFILIATE's and/or HEADQUARTERS' Gift Acceptance Committee.
2. Due to the expenses associated with gifts of real estate, only gifts in excess of \$100,000.00 will be accepted. Gifts of real estate appraised for less than \$100,000.00 may be accepted upon approval of the Gift Acceptance Committee of HEADQUARTERS. All real estate will be sold as soon as reasonably possible. Appropriate tax forms will be filed by



HEADQUARTERS, with cooperation from AFFILIATE, with the Internal Revenue Service as required.

3. Mineral Interests/Easements: All such interests in real property shall not be accepted by AFFILIATE or HEADQUARTERS without approval by HEADQUARTERS' Gift Acceptance Committee.
4. Income of Real Property: A donor may designate AFFILIATE as the income beneficiary of any income producing property (such as non-working mineral interests, timeshares, leaseholds, etc.). Donor and AFFILIATE must enter into a written agreement which sets forth the terms and conditions of donor's assignment of interest in the income of such property. HEADQUARTERS' Gift Acceptance Committee must give prior approval of all such agreements. Neither HEADQUARTERS nor AFFILIATE shall accept any fee title ownership rights in any income producing property described in this subparagraph 4.
5. Depending upon the value and desirability of the gift, the donor's connection with Susan G. Komen for the Cure, and the donor's past gift record, the donor may be asked to pay for all or a portion of the following: costs of environmental remediation; maintenance costs; real estate taxes; insurance; title insurance premiums; survey costs; real estate broker's commission and other costs of sale; and/or appraisal costs.
6. The value of any outright gift of real estate will be the appraised value of the real estate, as determined by a qualified appraisal.

E. Personal Property

1. Under most circumstances, no personal property shall be accepted by AFFILIATE's Gift Acceptance Committee unless it can be used by the AFFILIATE, used at an AFFILIATE event or sold quickly (e.g. via an online auction, estate sale broker, thrift wholesaler, or newspaper advertisement) and with resources expended by AFFILIATE appropriate to the value of the gift. Prior to final acceptance of any gift of personal property, the appropriate officer of AFFILIATE will sign Internal Revenue Service Form 8283, Non-Cash Charitable Contributions, presented by the donor when appropriate. Appropriate tax forms will be filed by AFFILIATE with the Internal Revenue Service as required.
2. No personal property shall be accepted that obligates AFFILIATE or HEADQUARTERS to own such property in perpetuity.



3. No perishable property and no property requiring special facilities, storage space, or security shall be accepted without the prior approval of AFFILIATE's Gift Acceptance Committee.
4. Only HEADQUARTERS' Gift Acceptance Committee (or persons authorized in writing by HEADQUARTERS' Gift Acceptance Committee) may represent to a donor that certain personal property will or will not be held by AFFILIATE or HEADQUARTERS for a specific period of time or for purposes related to Susan G. Komen for the Cure's tax-exempt status. A donor should be notified at the time of receipt of a gift that AFFILIATE or HEADQUARTERS will, as a matter of policy, cooperate fully in all matters related to Internal Revenue Service investigations of non-cash charitable gifts.
5. Personal property of high-value and legal complexity (e.g., high value art collections, copyrights, (non-mineral) royalties, trademarks and patents) shall be accepted only by action of HEADQUARTERS' Gift Acceptance Committee (or persons authorized in writing by HEADQUARTERS' Gift Acceptance Committee), and, if accepted, shall be processed by HEADQUARTERS.
6. Appropriate inquiry shall be made and special consideration shall be given to the nature of any gift property and whether it is in keeping with the mission of Susan G. Komen for the Cure prior to the acceptance of any property by AFFILIATE or HEADQUARTERS. Qualified appraisals shall be required to be obtained by donors to support the allowance of specific income tax charitable deductions under certain circumstances. Individuals and corporations who donate property, other than money or publicly traded securities, with a claimed value exceeding \$5,000.00, must obtain a qualified appraisal prepared by an independent appraiser, substantiating the claimed value of the gift.

F. Valuation

For purposes of this Article I, all outright gifts made to AFFILIATE or HEADQUARTERS shall be valued for federal gift tax purposes on the date such gift is made.

G. Acknowledgements

Acknowledgements of all outright gifts made to AFFILIATE or HEADQUARTERS and compliance with the current IRS requirements, in acknowledgement of and as a result of the disposition of such gifts, shall be the



responsibility of the receiving party (being AFFILIATE or HEADQUARTERS, as the case may be).



II. DEFERRED GIFTS

A. Bequests

1. HEADQUARTERS and AFFILIATE should actively encourage gifts made pursuant to a will (e.g., devises and bequests) or trust in accordance with Article I of this Policy. All deferred gifts should be reported to HEADQUARTERS once the AFFILIATE has been notified that it is an irrevocable beneficiary of a will or trust. Estate gifts and immediately payable simple trust gifts should be processed by either HEADQUARTERS or an attorney with substantial estate and probate expertise representing AFFILIATE. All deferred or complex trust gifts should be processed by HEADQUARTERS.
2. Gifts from the estates of deceased donors consisting of property that is not acceptable shall be rejected only by the action of AFFILIATE's Gift Acceptance Committee or Board of Directors (if the AFFILIATE should so choose) or HEADQUARTERS' Gift Acceptance Committee. Staff or legal counsel of HEADQUARTERS or legal counsel representing AFFILIATE shall promptly communicate the decision accept or reject the property to the legal representatives of the estate or trust. If there is any indication that the representatives of the estate, trust or family member of the deceased is dissatisfied with the decision to accept or reject the property, this fact shall be communicated to AFFILIATE's Gift Acceptance Committee or Board of Directors(if the AFFILIATE should so choose) or HEADQUARTERS' Gift Acceptance Committee as quickly as possible.
3. Reasonable attempts shall be made to discover all gift expectancies in order to reveal situations that might lead to unpleasant donor relations. Where possible, intended gifts of property other than cash or marketable securities should be brought to the attention of relevant Gift Acceptance Committee and every attempt should be made to encourage the donor involved to conform his or her gift to policy.
4. Although a gift or bequest may be notated in a donor's file at the time an AFFILIATE receives notice that a gift or bequest may be made, gifts and bequests will not be officially recorded for accounting purposes as gifts or bequests to the AFFILIATE until such time as the gift or bequest becomes irrevocable. When the gift or bequest is irrevocable, but is deferred until a future date, the present value of the gift or bequest may be recorded at the time the gift or bequest becomes irrevocable.



B. Charitable Remainder Trusts

1. All charitable remainder trusts benefiting an AFFILIATE should list as beneficiary: THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC., restricted to the Service Area of THE _____ AFFILIATE OF SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC. Such gifts will be processed by HEADQUARTERS and, when proceeds become available, distributed (less applicable administrative and legal fees) to AFFILIATE for use in its Service Area. If AFFILIATE is no longer in existence, proceeds will be applied by HEADQUARTERS to the former AFFILIATE's Service Area. Neither HEADQUARTERS nor its officers or employees, nor the officers or employees of AFFILIATE, shall serve as a trustee of a charitable remainder trust for the benefit of Susan G. Komen for the Cure, except where HEADQUARTERS' Gift Acceptance Committee determines that to do so (based on the irrevocable nature of the gift, the size of the gift, and the lack of other beneficiaries) is in the best interest of the Susan G. Komen for the Cure. The Gift Acceptance Committee of HEADQUARTERS shall identify a number of corporate fiduciaries nationwide, (e.g., banks with trust departments), to assist donors in the selection of qualified trustees. HEADQUARTERS or AFFILIATE volunteers and staff shall attempt to furnish potential donors with the names of at least three or four possible fiduciaries to avoid the appearance of a conflict of interest.
2. The fees for the creation of a charitable remainder trust will be paid by HEADQUARTERS only upon approval of HEADQUARTERS' Gift Acceptance Committee. Further, such fees may be paid only if Susan G. Komen for the Cure is irrevocably named as the sole remainder beneficiary (i.e., beneficiary of the assets remaining after the expiration of payments to the life or term income beneficiaries) and the projected remainder to Susan G. Komen for the Cure is significantly greater than the projected management fees.
3. HEADQUARTERS' Gift Acceptance Committee and AFFILIATE volunteers and employees engaged in fundraising activities shall become familiar with the types of property generally accepted by a corporate fiduciary as suitable contributions to charitable remainder trusts. No one shall encourage donors to make gifts of any property to charitable remainder trusts that is not in keeping with such guidelines.
4. No representations shall be made by any employee or other persons acting on behalf of AFFILIATE or HEADQUARTERS as to the manner in which charitable remainder trust assets will be managed or invested by a



corporate fiduciary who may be recommended by AFFILIATE or HEADQUARTERS.

5. Charitable remainder trusts and other deferred gifts are encouraged. Such trusts shall not be marketed as tax avoidance devices or as investment or asset protection vehicles.
6. No charitable remainder trust shall be encouraged where it is determined that the net present value of the remainder interest in the trust is minimal in relation to the value of the funds transferred to the trust (generally less than 25%).

C. Charitable Lead Trusts

1. A donor may establish a charitable lead annuity trust (CLAT) or charitable lead unitrust (CLUT) for the benefit of an AFFILIATE. All charitable lead trusts benefiting an AFFILIATE should list as beneficiary: THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC., restricted to the Service Area of THE _____ AFFILIATE OF SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC. Each charitable lead trust payment received by HEADQUARTERS for the benefit of an AFFILIATE will be processed by HEADQUARTERS and, distributed (less applicable administrative and legal fees) to AFFILIATE for use in its Service Area. If AFFILIATE is no longer in existence, proceeds will be applied by HEADQUARTERS to the former Affiliate's Service Area.
2. Neither HEADQUARTERS nor its officers or employees, nor the officers or employees of AFFILIATE, shall serve as a trustee of a charitable lead trust benefitting of Susan G. Komen for the Cure, except where HEADQUARTERS' Gift Acceptance Committee determines that to do so (based, among other things, on the size of the gift and payment term) is in the best interest of Susan G. Komen for the Cure. The Gift Acceptance Committee of HEADQUARTERS shall identify a number of corporate fiduciaries nationwide, (e.g., banks with trust departments), to assist donors in the selection of qualified trustees. HEADQUARTERS or AFFILIATE volunteers and staff shall attempt to furnish potential donors with the names of at least three or four possible fiduciaries to avoid the appearance of a conflict of interest.
3. The fees for the creation of a charitable lead trust will be paid by HEADQUARTERS only upon approval of HEADQUARTERS' Gift Acceptance Committee. Further, such fees may be paid only if Susan G. Komen for the Cure is irrevocably named as the sole beneficiary of the



annuity or unitrust payments during the lifetime of the trust and the total annuity or unitrust payments are significantly greater than the projected management fees.

4. HEADQUARTERS' Gift Acceptance Committee and AFFILIATE volunteers and employees engaged in fundraising activities shall become familiar with the types of property generally accepted by a corporate fiduciary as suitable contributions to charitable lead trusts. No one shall encourage donors to make gifts of any property to charitable lead trusts that is not in keeping with such guidelines.
5. Charitable lead trusts and other deferred gifts are encouraged. Such trusts shall not be marketed as tax avoidance devices or as investment or asset protection vehicles.
6. No representations shall be made by any employee or other persons acting on behalf of AFFILIATE or HEADQUARTERS as to the manner in which charitable lead trust assets will be managed or invested by a corporate fiduciary who may be recommended by AFFILIATE or HEADQUARTERS.

- D. Charitable Gift Annuities [PLEASE NOTE: HEADQUARTERS is in the process of completing the charitable gift annuities application/registration process. HEADQUARTERS will notify the Affiliates once the process is complete. In the interim, no Affiliate should offer charitable gift annuities as a planned giving option.]

Gift Annuities should not be solicited in any state until the legal department of HEADQUARTERS has confirmed HEADQUARTERS is in compliance with applicable state law.

1. HEADQUARTERS may be required by state law to register with the state before offering and/or issuing Charitable Gift Annuities. Once qualified, (i) HEADQUARTERS may offer Charitable Gift Annuities; and (ii) AFFILIATE may offer Charitable Gift Annuities on behalf of HEADQUARTERS and only on behalf of HEADQUARTERS.

Before soliciting/accepting gift annuities in a given state, the legal department at HEADQUARTERS should be consulted to determine any special state requirements.

2. Donors wishing to benefit an AFFILIATE should designate THE SUSAN G. KOMEN BREAST CANCER FOUNDATION, INC., restricted to the Service Area of THE _____ AFFILIATE OF SUSAN G. KOMEN



BREAST CANCER FOUNDATION, INC. as the beneficiary of a Charitable Gift Annuity (CGA) gift. Once the “annuity obligation” (to make the contracted annuity payments for life) has been met (by the demise of the last annuitant in the agreement in the case of a self-insured gift annuity, or by reinsurance with an appropriate commercial insurance company, registered to do business in the state of the CGA donor), the gift remainder at that time will be paid to AFFILIATE for use in its Service Area. If AFFILIATE is no longer in existence, proceeds will be applied by HEADQUARTERS in the former AFFILIATE’s Service Area. All distributions will be made after deducting the gift’s proportionate share of year by year, ongoing expenses for administering the HEADQUARTERS Gift Annuity Fund.

3. HEADQUARTERS may accept annuity gifts for one life, two lives in succession, or joint and survivor annuity agreements. Gift annuity agreements will be limited to one life in being or two lives in being at the time of the gift.
4. The maximum annuity rates offered will be the current Uniform Gift Annuity rates and in the case of deferred payment gift annuities, the current Uniform Interest Factors, both adopted by the American Council on Gift Annuities, 233 McCrea Street, Suite 400, Indianapolis, IN 46225. HEADQUARTERS may establish a maximum annuity rate chart that is lower, but never higher than the uniform Gift Annuity Rates of the American Council on Gift Annuities. To conform to the federally mandated “Clay-Brown Rule,” the annuity rate offered will generate a charitable deduction of more than 10 percent of the fair market value of the assets given, or the annuity rate will be reduced to qualify for the deduction.
5. To conform to various state laws, HEADQUARTERS will always offer the maximum annuity rate to each potential donor/annuitant, based on the actuarial age of the annuitants, but HEADQUARTERS may suggest that if the person is willing to accept a lower rate, a larger charitable deduction would be obtained for the same size gift.
6. Gift assets will be limited to cash and marketable securities. Closely held stock will not be accepted. Real estate shall not be accepted to fund a charitable gift annuity without receiving a favorable legal opinion as to the permissibility of this action under the laws of the state(s) involved and approval by HEADQUARTERS’ Gift Acceptance Committee.
7. To conform to various state laws, HEADQUARTERS will operate a segregated gift annuity fund, in which identifiably separate investments



will be maintained and that is not part of any other investment or endowment fund of HEADQUARTERS. The full annuity gift will be admitted to the gift annuity fund of the institution and will be maintained until the demise of the last annuitant in the agreement.

8. A methodology will be established by HEADQUARTERS to identify the changing market value of each agreement, so that an appropriate amount may be withdrawn from the gift annuity fund at the termination of the agreement.
9. The minimum acceptable gift will be cash or the fair market value of securities valued at: One life: (\$10,000.00); Two lives: (\$10,000.00); Deferred Payment Gift Annuities: (\$10,000.00).
10. The minimum actuarial age of an annuitant on the date the payments start is fifty (50).
11. To conform to various state insurance laws, HEADQUARTERS may (with approval of its Board) elect to reinsure any annuity agreement above the minimum \$100,000.00 of Required Legal Reserve amount with an "A" rated commercial insurance company, registered to do business in HEADQUARTERS' state of domicile. HEADQUARTERS is aware that New York State permits reinsurance only through a "treaty" (negotiated) agreement with a registered insurance company. If the insurance company fails, HEADQUARTERS realizes that it is liable for the payments.
12. The gift annuity will be effective on the postmark date on the envelope that brings a signed annuity agreement and funds to HEADQUARTERS; or the date a signed annuity agreement and funds are given to HEADQUARTERS representative; or when HEADQUARTERS receives gift annuity funds via wire transfer (in which case the gift annuity agreement should bear the same date).
13. Annuities may be paid quarterly, semiannually, annually, or in the case of annuity gifts of \$50,000.00 or more, monthly. Partial payment may be required for the first annuity installment, depending on the date of the gift. HEADQUARTERS will never round downward to ensure same payment amounts. Annuity payments will be mailed in time to arrive on the payment due date assuming typical Post Office delivery times.
14. HEADQUARTERS shall maintain a separate checking account for its gift annuity fund, so that appropriate fund records can be maintained to permit appropriate reporting of gift annuity fund activity to those states that



require it by statute, should HEADQUARTERS later obtain a permit in any state that requires it.

15. HEADQUARTERS shall maintain investment and administrative records of gift annuities.

E. Life Estate Gifts

1. As to real property, HEADQUARTERS or AFFILIATE will take a gift of real property that is subject to a life estate upon written approval by the HEADQUARTERS Gift Acceptance Committee, and all such gifts will be processed by HEADQUARTERS.

F. Gifts of Life Insurance

1. HEADQUARTERS and AFFILIATE encourage donors to name HEADQUARTERS or AFFILIATE as beneficiary to receive all or a portion of the benefits of life insurance policies owned by the donor.
2. HEADQUARTERS or AFFILIATE shall not, however, accept gifts from a donor for the purpose of purchasing life insurance on the donor's life, essentially becoming the owner and beneficiary of the policy on the life of a person in whom HEADQUARTERS has no insurable interest. Exceptions to this policy may be made by the HEADQUARTERS Gift Acceptance Committee after consultation and review of relevant state laws to ensure that HEADQUARTERS or AFFILIATE has an insurable interest.
3. No insurance products shall be endorsed for use in funding gifts to HEADQUARTERS or AFFILIATE without the approval of HEADQUARTERS' Board of Directors.
4. In no event shall lists of HEADQUARTERS' or AFFILIATE's donors be furnished to any legally unrelated entity or individual for the purpose of marketing life insurance. This policy is based on potential conflicts of interest, donor relations concerns, and state insurance regulations.
5. Although a gift of life insurance may be notated in a donor's file at the time an AFFILIATE receives notice that the AFFILIATE has been designated as a beneficiary of a donor's policy, such a gift will not be officially recorded for accounting purposes as a gift to the AFFILIATE until such time as the gift is realized.



G. Gifts of Retirement Assets

1. HEADQUARTERS and AFFILIATE encourage donors to name HEADQUARTERS and/or AFFILIATE as beneficiary to receive all or a portion of the balance of a donor's retirement plan. Examples of such plans include defined benefit or contribution pension plans, money purchase pensions, profit-sharing plans, annuity plans, 401(k) or 403(b) plans, stock bonus plans, Employee Stock Ownership Plans (ESOPs), simplified employee pensions, Keogh accounts, and Individual Retirement Accounts (IRAs).
2. In the event a donor names HEADQUARTERS and/or AFFILIATE as the beneficiary of a *qualified* retirement plan (including, but not limited to money purchase pensions, profit-sharing plans, 401(k) plans, stock bonus plans, ESOPs, or any non-IRA defined benefit or annuity plan), proper steps should be taken by HEADQUARTERS and/or AFFILIATE to assure that donor's surviving spouse has executed or will execute a written waiver of any interest said spouse may have in that portion of the qualified retirement plan passing to HEADQUARTERS and/or AFFILIATE.
3. In the event HEADQUARTERS or AFFILIATE receives closely-held or restricted securities as the beneficiary of a retirement plan (for example, by way of a stock bonus plan), such securities may be accepted only after approval of HEADQUARTERS' Gift Acceptance Committee. If approved, HEADQUARTERS will process such securities on behalf of AFFILIATE. Publicly traded securities received by HEADQUARTERS or AFFILIATE will be processed as set forth in Article I, Paragraph B herein.
4. Although a gift of retirement assets may be notated in a donor's file at the time an AFFILIATE receives notice that the AFFILIATE has been designated as a beneficiary of a donor's retirement assets, such a gift will not be officially recorded for accounting purposes as a gift to the AFFILIATE until such time as the gift is realized.

G. Valuation

For purposes of this Article II, all deferred gifts made to AFFILIATE or HEADQUARTERS shall be valued on the valuation date required by applicable law. If applicable law does not require a specific valuation date, the deferred gift shall be valued on the date which AFFILIATE or HEADQUARTERS receives a distribution of the gift.



H. Acknowledgements

Acknowledgements of all deferred gifts made to AFFILIATE or HEADQUARTERS and compliance with the current IRS requirements, in acknowledgement of and as a result of the disposition of such gifts, shall be the responsibility of the receiving party (being AFFILIATE or HEADQUARTERS, as the case may be).



III. PAYMENT OF FEES RELATED TO GIFTS

A. Finder's Fees or Commissions

Neither HEADQUARTERS nor AFFILIATE shall enter into agreements to pay a "finder's fee" or a commission to third parties as compensation for locating a donor who makes a gift to HEADQUARTERS or AFFILIATE. Such fees may raise legal concerns, and, in the case of irrevocable deferred gifts which involve management of assets, the payment of such fees may subject HEADQUARTERS or AFFILIATE to federal and state securities regulation.

B. Professional Fees

1. AFFILIATE may incur reasonable fees for professional services rendered on behalf of a donor in connection with a gift to AFFILIATE. Such fees shall be paid on behalf of a donor only with prior written approval of AFFILIATE's Board of Directors and HEADQUARTERS should be notified in advance and given an opportunity to object or offer assistance.

The option to pay professional fees should not be advertised and should be used cautiously and only in a situation where an irrevocable gift of significant value otherwise might be lost. The donor shall be notified that the payment of such fees by AFFILIATE may result in an Internal Revenue Service claim that the value of the gift is reduced by the amount of the fees paid. Further, AFFILIATE shall not pay any fees unless the gift is irrevocable.

2. Such fees will be paid only following discussion with and approval by the donor.
3. Such fees shall be based on reasonable local market rates and for services directly related to the completion of a gift. Such fees shall be limited to: appraisal fees by persons who are competent and qualified to appraise the property involved and who have no conflict of interest; attorney fees for legal and tax advice and for the preparation of donor's documents; accounting fees incident to the transaction; and fees of financial planners ("fee for service"). In the case of financial planners, such persons must verify in writing that they are compensated only by fees for services rendered and that they are not compensated for the sale of products to the donor. This distinction is vital in avoiding violation of securities regulations.
4. In the case of legal, accounting and other professional fees, an attempt shall be made by AFFILIATE's Gift Acceptance Committee to ascertain



the reasonableness of these fees prior to payment. An hourly breakdown of time should be requested. In cases which appear excessive, the breakdown may be submitted to HEADQUARTERS' counsel for review and comment prior to payment.



IV. RESTRICTIONS

- A. Restricted gifts are contributions of cash or property where the donor has restricted the use of the gift to specified projects, purposes or geographic areas.
- B. AFFILIATE may accept limited restrictions on gifts for education, screening, or treatment support, as general categories, or for specific events or uses such as capacity building, provided the restriction can be honored and AFFILIATE intends to honor the restriction. HEADQUARTERS' Gift Acceptance Committee must approve all restricted gifts valued greater than 10% of AFFILIATE's operational budget for the fiscal year prior to that year in which the gift is made.
- C. Restrictions to specific institutions, researchers, grants, or areas of study shall not be accepted by AFFILIATE, though such gifts may be referred to HEADQUARTERS for consideration.
- D. Whenever the terms of a gift contain a legally effective provision restricting the use of the gift, the provision must be followed. If the restriction placed on the gift violates any policy of HEADQUARTERS or AFFILIATE, or local, state or federal law, AFFILIATE shall attempt to obtain the necessary modification or change in order to comply with such policy or law. If such modification or change cannot be obtained, AFFILIATE shall not accept the gift (but may recommend one or more other agencies in the community that might carry out the wishes of the donor).
- E. AFFILIATE must return any contribution to the donor if the restriction cannot or will not be honored, unless the restriction is modified in agreement with the donor or the restriction cannot be honored as a result of impossibility or change in circumstances.



V. GIFTS TO HEADQUARTERS GENERAL ENDOWMENT FUND

- A. Rather than making an outright or deferred gift to AFFILIATE to help fund the mission of Susan G. Komen for the Cure, a donor may specify that such gift is to be made to the General Endowment Fund established by HEADQUARTERS. Unless otherwise provided below or agreed to by the Board of Directors of HEADQUARTERS, such a gift must be of a value equal to or greater than \$1,000.00 in order to qualify as an acceptable gift to the General Endowment Fund. Such gift must be made in accordance with the Affiliate Endowment Funds - Policies and Guidelines (“Endowment Policy”) attached hereto as Attachment B and incorporated by reference.
- B. The following classes of donor gifts to the HEADQUARTERS General Endowment Fund are acceptable:
1. Cash and Cash Equivalents;
 2. Publically Traded Securities;
 4. Bequests of Cash, Cash Equivalents and Publically Traded Securities; and
 5. Real Property Valued Over \$100,000.00; provided, however, such property may be easily liquidated.

Furthermore, a donor may designate the HEADQUARTERS General Endowment Fund as the beneficiary of his or her retirement plan, life insurance policy or other contractual deferred gift. All gifts made to the HEADQUARTERS General Endowment Fund of a class not expressly set forth above shall be reviewed on a case-by-case basis by the Board of Directors of HEADQUARTERS or its designee and accepted or rejected pursuant to the gift’s class guidelines set forth in this Affiliate Gift Acceptance Policy.

- C. All endowed gifts must be made to the HEADQUARTERS General Endowment Fund. A donor may instruct that a gift to the HEADQUARTERS General Endowment Fund be used to help fund Susan G. Komen for the Cure’s mission in an AFFILIATE’s Service Area. Any such gift shall be held and maintained as a separate Affiliate Fund in accordance with the Endowment Policy. An AFFILIATE may not establish its own endowment fund.



VI. PLANNED GIVING

A. Legacies and Bequests

When AFFILIATE learns that it is named as a beneficiary under a will or trust, the following information should be obtained by HEADQUARTERS or AFFILIATE's experienced probate counsel:

1. Name, date, and place of death of the donor and the date of the will or trust agreement.
2. Date and place of probate of the will.
3. Name and address of the executor of the estate or of the trustee of the trust.
4. Name and address of the attorney for the executor or the trustee.
5. Copy of the will or trust instrument.
6. Copy of initial probate filing documents.
7. Approximate value of the gift.
8. Estimated date of distribution.
9. Inventory or accounting of the estate or trust.
10. Any additional information that may prove helpful in understanding the nature and extent of the gift.

B. Designation of the Intended Beneficiary of a Bequest to AFFILIATE

The following is suggested language relative to the disposition of funds derived from gifts by wills or similar instruments:

1. GIFTS UNDER WILL

- a. **GENERAL TESTAMENTARY GIFT: SPECIFIC MONETARY AMOUNT:** *I hereby give and bequeath _____ Dollars (\$_____) to the _____ Affiliate of Susan G. Komen for the Cure, of [insert City and State], to be used for general purposes. In the event the _____ Affiliate of Susan G. Komen for the Cure is not in existence at the time of my death, then I hereby give*



and bequeath _____ Dollars (\$_____) to the national headquarters of Susan G. Komen for the Cure, of Dallas, Texas, to be used for general purposes in the former service area of the _____ Affiliate of Susan G. Komen for the Cure.

- b. **GENERAL TESTAMENTARY GIFT: PERCENTAGE OF RESIDUE OF ESTATE:** I hereby give and bequeath _____ percent (____%) of the rest and residue of my estate to the _____ Affiliate of Susan G. Komen for the Cure, of [insert City and State], to be used for general purposes. In the event the _____ Affiliate of Susan G. Komen for the Cure is not in existence at the time of my death, then I hereby give and bequeath _____ percent (____%) of the rest and residue of my estate to the national headquarters of Susan G. Komen for the Cure, of Dallas, Texas, to be used for general purposes in the former service area of the _____ Affiliate of Susan G. Komen for the Cure.
- c. **RESTRICTED TESTAMENTARY GIFT: SPECIFIC MONETARY AMOUNT:** I hereby give and bequeath _____ Dollars (\$_____) to the _____ Affiliate of Susan G. Komen for the Cure, of [insert City and State], to be used for [insert donor restriction]. In the event the _____ Affiliate of Susan G. Komen for the Cure is not in existence at the time of my death, then I hereby give and bequeath _____ Dollars (\$_____) to the national headquarters of Susan G. Komen for the Cure, of Dallas, Texas, to be used for [insert donor restriction] in the former service area of the _____ Affiliate of Susan G. Komen for the Cure.
- d. **RESTRICTED TESTAMENTARY GIFT: PERCENTAGE OF RESIDUE OF ESTATE:** I hereby give and bequeath _____ percent (____%) of the rest and residue of my estate to the _____ Affiliate of Susan G. Komen for the Cure, of [insert City and State], to be used for [insert donor restriction]. In the event the _____ Affiliate of Susan G. Komen for the Cure is not in existence at the time of my death, then I hereby give and bequeath _____ percent (____%) of the rest and residue of my estate to the national headquarters of Susan G. Komen for the Cure, of Dallas, Texas, to be used for [insert donor restriction] in the former service area of the _____ Affiliate of Susan G. Komen for the Cure.



2. GIFTS UNDER TRUST

The following language is an example of wording that may be used in the event an Affiliate is named as a contingent beneficiary of a trust estate:

[Insert contingency], the Trustee shall distribute _____ Dollars (\$ _____) to the _____ Affiliate of Susan G. Komen for the Cure, of [insert City and State], free and clear of trust, to be used for general purposes. In the event the _____ Affiliate of Susan G. Komen for the Cure is not in existence at the time of this distribution, the Trustee shall distribute _____ Dollars (\$ _____) to the national headquarters of Susan G. Komen for the Cure, of Dallas, Texas, free and clear of trust, to be used for general purposes in the former service area of the _____ Affiliate of Susan G. Komen for the Cure.

3. CONTRACTUAL GIFTS

An Affiliate may be named as the beneficiary an asset that passes outside the terms of a will or a trust (e.g. life insurance, IRA, 401(k)). In order to clarify the intention of the donor, the contractual instrument governing the asset should set forth the following as the official recipient of the gift:

The _____ Affiliate of Susan G. Komen for the Cure, of [insert city and state]. In the event the _____ Affiliate of Susan G. Komen for the Cure is not in existence, then to the national headquarters of Susan G. Komen for the Cure, of Dallas, Texas, for the benefit of the former service area of the _____ Affiliate of Susan G. Komen for the Cure.

C. Confidential Information

All information concerning the details of a gift made by a donor or a prospective gift that may be made by a potential donor will be kept confidential by HEADQUARTERS and AFFILIATE. Gifts shall not be publicized without the express permission of the donor. However, HEADQUARTERS and AFFILIATE may disclose such information to its agents, attorneys, accountants and other advisors.

D. The Use of Legal Counsel

1. All donors and prospective donors shall be advised to seek the advice of his or her attorney or tax adviser in all aspects of his or her proposed gift.



2. AFFILIATE shall seek the advice of HEADQUARTERS' legal counsel in matters relating to acceptance of gifts when appropriate. No agreement, contract, trust or other document with any donor, or the donor's representative, shall be signed by AFFILIATE without the prior approval of HEADQUARTERS' legal counsel.

E. Avoidance of Pressure Techniques

AFFILIATE's volunteers and staff are to avoid the use of any pressure techniques when dealing with donors and prospective donors. In all matters involving donors or prospective donors, the interests of the donor will be considered before those of HEADQUARTERS or AFFILIATE. AFFILIATE's volunteers and staff will inform and assist the donor in fulfilling his or her philanthropic wishes, but shall not pressure or unduly influence the donor. In this regard, no person acting for HEADQUARTERS or AFFILIATE, whether in volunteer, employee, or other capacity, shall receive commissions or other remuneration for obtaining a planned gift.



ATTACHMENT A
Susan G. Komen for the Cure

Real Property Disclosure Checklist

[TO BE COMPLETED WITH INPUT FROM THE DONOR WHEN POSSIBLE]

I. General

Owner (s) _____ Phone () _____

Address _____

Address of Property _____

Land Area (acres or square feet) _____

Building Area (square feet each floor) _____

Current Usage (describe) _____

Current Insurance Policy Coverage & Value _____

Insurance Premiums \$ _____

Date of Purchase/Inheritance _____

Current Cost Basis (includes improvements) _____

Principal Balance of Mortgage(s) _____

Term of Remaining Mortgage _____

Is the Remaining Mortgage assumable? _____ Interest Rate _____

How determined? _____

Assessed Value for Real Estate Taxes

Fiscal Tax Year _____ Land Value _____

Real Estate Taxes _____ Building Value _____

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REAL PROPERTY DISCLOSURE CHECKLIST**

Total taxes and assessments paid on property in last calendar year _____

Current Zoning of Property _____

Please attach copy of property survey and/or pictures or diagrams of property.

Please attach a copy of the deed for the proposed property.

Occupancy status after transfer of title to charity:

Vacant (building has no property, no occupants) _____

Unoccupied (building has personal property, but no occupants) _____

Occupied (building has personal property with occupants) _____

II. Title/Zoning

Please indicate by checking “yes” if you know or suspect any or problem affecting the title or marketability of the property. Use Section VIII to provide information for each item checked “yes.”

	YES	NO
A. Title	_____	_____
B. Zoning Variance, violations or special permits	_____	_____
C. Zoning violations	_____	_____
D. Restrictions or easements	_____	_____
E. Survey available	_____	_____

III. Building

Please indicate by checking “yes” if you know or suspect any condition or problem affecting the title or marketability of the property. Use Section VIII to provide information for each item checked “yes.”

	YES	NO
A. Foundation/Slab	_____	_____
B. Basement water/dampness/sump pump	_____	_____
C. Roof Damage	_____	_____
D. Is the property generally structurally sound?	_____	_____

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REAL PROPERTY DISCLOSURE CHECKLIST**

- | | | |
|-----------------------------------|-------|-------|
| E. UFFI (formaldehyde insulation) | _____ | _____ |
| F. Asbestos | _____ | _____ |
| G. Lead Paint | _____ | _____ |
| H. Termites/ant/pests | _____ | _____ |
| I. Wood/coal stove | _____ | _____ |
| J. Swimming pool/spa | _____ | _____ |
| K. Radon | _____ | _____ |
| L. Building Systems | _____ | _____ |
| 1. Plumbing | _____ | _____ |
| 2. Electrical | _____ | _____ |
| 3. Heating | _____ | _____ |
| 4. Air Conditioning | _____ | _____ |
| 5. Hot water | _____ | _____ |
| 6. Water supply | _____ | _____ |
| 7. Sewage; type _____ | _____ | _____ |
| 8. Other fixtures | _____ | _____ |

IV. Rental/Condominium/Cooperative

- | | YES | NO |
|--|-------|-------|
| A. Rent Control | _____ | _____ |
| B. Tenants | _____ | _____ |
| 1. Leases | _____ | _____ |
| 2. Rental arrears | _____ | _____ |
| 3. Last month's rent or security deposit | _____ | _____ |
| C. Common area fees in arrears | _____ | _____ |
| D. Building or sanitary code violations | _____ | _____ |
| E. Operating/net assets budget | _____ | _____ |
| F. Co-op | _____ | _____ |

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REAL PROPERTY DISCLOSURE CHECKLIST**

V. Environmental [Need not be completed if separate environmental disclosure signed.]

	YES	NO
A. History of Property	_____	_____
1. Property has <u>PRIOR</u> or <u>CURRENT</u> use for industrial, commercial, agricultural, manufacturing, waste disposal or any other non-residential purposes.		
B. Condition of property	_____	_____
1. Stressed or denuded vegetation or unusual barren areas	_____	_____
2. Discoloration, oil sheens or foul/unusual odors in water	_____	_____
3. Storage Drums	_____	_____
4. Above or underground storage tanks; vent or filler pipes	_____	_____
5. Evidence of oil or other chemicals in soil	_____	_____
6. Evidence of PCBs	_____	_____
7. Evidence of toxic air emissions	_____	_____
C. Adjacent Properties	_____	_____
Properties adjacent or close to subject have conditions requiring “Yes” answer to any questions in (A) or (B) above	_____	_____
D. Is the property on a flood plain/wetlands/drainage/underwater?	_____	_____
E. Are there endangered plants or wildlife on the property?	_____	_____

VI. General Evaluation

	YES	NO
Are you aware of any other information concerning any part of the land or buildings that might adversely affect the decision of a buyer or the value or use of property?	_____	_____

VII. Property Maintenance Budget

To hold this property as a trust asset the following income and expenses are anticipated.

A. <u>Income</u>	<u>Annual</u>
------------------	---------------

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REAL PROPERTY DISCLOSURE CHECKLIST**

Rent _____

Other _____

Total Income _____

B. Expenses

1. Real Estate Taxes

First Payment Due _____ (date)

Second Payment Due _____ (date)

Other Tax Assessments _____ (date)

2. Utilities

Annual

Gas _____

Oil _____

Electric _____

Water/Sewer _____

Other _____

3. Services

Caretaker/Property manager _____

Landscaping _____

Heating/Cooling Service Contract _____

Snow Removal _____

Pool Services _____

Common Area Charge (Condominium) _____

Security _____

Homeowners association fees _____

Private unit development fees _____

Other _____

4. Maintenance/Repairs

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REAL PROPERTY DISCLOSURE CHECKLIST**

5. Insurance

Total Expenses _____

Net Income (Loss) _____

VIII. Additional Information on Sections II through VII

Susan G. Komen for the Cure Representative:

Name

Signature

Date

**SUSAN G. KOMEN FOR THE CURE®
REAL PROPERTY DISCLOSURE CHECKLIST**

ATTACHMENT B

**Susan G. Komen for the Cure
Real Property Environmental Checklist**

I. General

Owner (s) _____ Phone () _____

Address _____

Address of Property _____

II. Environmental

	YES	NO
A. History of Property	_____	_____
1. Property has <u>PRIOR</u> or <u>CURRENT</u> use for industrial, commercial, agricultural, manufacturing, waste disposal or any other non-residential purposes.		
B. Condition of property	_____	_____
1. Stressed or denuded vegetation or unusual barren areas	_____	_____
2. Discoloration, oil sheens or foul/unusual odors in water	_____	_____
3. Storage Drums	_____	_____
4. Above or underground storage tanks; vent or filler pipes	_____	_____
5. Evidence of oil or other chemicals in soil	_____	_____
6. Evidence of PCBs	_____	_____
7. Evidence of toxic air emissions	_____	_____
C. Adjacent Properties	_____	_____
Properties adjacent or close to subject have conditions	_____	_____

**SUSAN G. KOMEN FOR THE CURE®
REAL PROPERTY DISCLOSURE CHECKLIST**

requiring “Yes” answer to any questions in (A) or (B)
above

- D. Is the property on a flood plain/wetlands/drainage/underwater? _____
- E. Are there endangered plants or wildlife on the property? _____

III. Acknowledgements

Owner(s) hereby acknowledge that the information set forth above is true and accurate to the best of my (our) knowledge.

Owner _____ Date _____

Owner _____ Date _____