GIFT ACCEPTANCE POLICY

National Hemophilia Foundation

The National Hemophilia Foundation (the “Charity”), a not-for-profit organization organized in the State of New York encourages the solicitation and acceptance of gifts to further and fulfill its mission of finding better treatments and cures for inheritable bleeding disorders and to preventing the complications of these disorders through education, advocacy and research.

I. Purpose of Policies

This statement articulates NHF’s policies concerning the acceptance of charitable gifts and provides guidance to prospective donors and their advisors when making gifts to the Charity. The Finance Department will create appropriate procedures to implement these policies.

II. Responsibility to Donors

A. Commitment to a Donor-Centered, Philanthropic Approach: The Charity, its staff and volunteer representatives shall endeavor to assist donors in accomplishing their philanthropic objectives in a donor-centered way. In many circumstances, this may involve the donor’s professional advisors, as charitable support is often integrated with a donor’s overall tax, estate and financial planning.

B. Confidentiality: Information concerning all transactions between a donor and the Charity shall be held by the Charity in confidence, and may be disclosed only with the permission of the donor or the donor’s designee as permitted by law.

C. Anonymity: The Charity shall respect the wishes of any donor offering anonymous support and will implement reasonable procedures to safeguard such donor’s identity.

D. Ethical Standards: The charity is committed to the highest ethical standards. The Charity, its staff and volunteer representatives shall adhere to both the Model Standards of Practice for the Charitable Gift Planner, as adopted by the Partnership for Philanthropic Planning (“PPP”), and the Code of Ethical Principles and Standards as adopted by the Association of Fundraising Professionals (“AFP”). The Charity will not participate in gift discussions if there is a question as to the title/ownership of the asset or the donor’s competency to transfer an asset.
III. **Legal Considerations**

A. *Compliance:* The Charity shall comply with all local, state and federal laws and regulations concerning all charitable gifts it encourages, solicits or accepts. All required disclosures, registrations and procedures shall be made and/or followed in a thorough and timely manner.

B. *Endorsement of Providers:* The Charity shall not endorse legal, tax or financial advisors to prospective donors.

C. *Finder’s Fees and Commissions:* The Charity shall not pay fees to any person as consideration for directing a gift by a donor to the Charity.

D. *Legal, Tax and Financial Advice:* The Charity shall inform prospective donors that it does not provide, legal, tax or financial advice, and shall encourage prospective donors to discuss all charitable gift planning decisions with their own advisors before entering into any commitments to make gifts to the Charity.

E. *Preparation of Legal Documents:* The Charity shall not prepare legal documents for execution by donors. However, the Charity may provide model language, such as sample bequest language or gift agreements but shall strongly encourage prospective donors to have this language reviewed by their own counsel.

F. *Payment of Fees:* It will be the responsibility of the donor to secure an appraisal (where required) and to pay for the advice of independent legal, financial or other professional advisers as needed for all gifts made to the Charity.

G. *Service as Executor or Living Trustee:* Unless approved in advance by the Chief Executive Officer (CEO), the Charity will not agree to serve as executor of a decedent’s estate or as trustee of a living trust or other trust intended to serve as a person’s primary estate planning document.

H. *Trusteeship:* The Charity may serve as trustee of charitable remainder trusts, provided that 100% of the remainder interest in the trust is irrevocably dedicated to the Charity, and the charitable remainder trust meets the minimum standards set forth in the Gift Acceptance Procedures. The Charity may serve as a trustee of trusts only in circumstances in which its investment authority as trustee is unrestricted. The Charity will not serve as co-trustee of a charitable trust.

I. *Use of Counsel:* The Charity shall seek the advice of legal counsel in matters relating to the acceptance of gifts when appropriate. Review by counsel is recommended for gifts involving: closely held stock transfers that are subject to restrictions; gifts involving contracts, such as bargain sales; reformation of charitable trusts; and transactions involving potential conflicts of interest.
IV. Gift Acceptance

A. Implementation: The Chief Executive Officer (CEO) or his designee is authorized to accept all gifts permitted by this policy.

B. Approval of Exceptions: Acceptance of gifts outside the scope of this policy requires the unanimous, written approval of the Finance Committee (FC). The CEO shall report all gifts accepted as exceptions to the policy to the FC of the Board at its next regular meeting.

C. Gift Acceptance Procedures: The Board delegates to the FC the responsibility of approving Gift Acceptance Procedures to implement these policies.

D. Gift Acceptance Alternatives: In the event a gift is rejected, the Charity will attempt to assist the donor in finding a suitable third-party charity to accept the gift and share the proceeds, less costs, with the Charity.

E. Gift Agreements: The Charity generally uses non-binding statements of intent to document gift commitments. Development staff shall create and maintain samples for use by staff and volunteer leadership. All statements of intent shall include a short profile of the donor, the donor’s commitment and timeframe for payments, the Charity’s commitment (including restrictions), how the completed gift will be managed, alternative use and saving language, stewardship, and donor recognition.

1. Unrestricted Commitments Within a Fiscal Year: The Charity does not require statements of intent for unrestricted gift commitments within the current fiscal year.

2. Unrestricted Commitments Covering More Than One Fiscal Year: If the unrestricted commitment shall cover more than one fiscal year, a simple letter or card documenting the gift amount and payment schedule may be substituted for a formal statement of intent.

3. Commitments Subject to Restrictions: The Charity requires an executed statement of intent for all commitments subject to restrictions, including restricted endowment gifts.

4. Commitments Over $1,000,000: The Charity requires an executed, binding gift agreement (pledge) for all commitments over $1,000,000, unless waived in writing by the CEO.

V. Gift Restrictions

A. Unrestricted Gifts: To provide the Charity with maximum flexibility in the pursuit of its mission, donors shall always be encouraged to consider unrestricted gifts or gifts restricted to budgeted priorities of the Charity.

B. Budgeted Programs or Facilities: The Charity may accept gifts restricted to specific budgeted programs and purposes.
C. *Other Restrictions on Gifts:* The Charity may accept gifts restricted to non-budgeted programs and purposes only upon the prior, written approval of the CEO. The Charity reserves the right to decline gifts which are too restrictive in purpose, too difficult to administer, or for purposes outside of its mission.

D. *Unrestricted Future Gifts:* As donors making large future gifts generally intend for these gifts to benefit the long-term future of the Charity, all future gifts (bequests, retirement plan and life insurance designations, etc.) with a value over $25,000 shall be added to Unrestricted Funds.

VI. *Types of Property*

These assets may be considered for acceptance by the Charity, subject to the following criteria:

A. *Cash:* Acceptable in any negotiable form, including currency, check and credit card gifts.

B. *Securities:*
   1. *Publicly Traded Securities:* Stocks, bonds and mutual funds traded on an exchange or other publicly reported market are acceptable.
   2. *Closely Held Securities and Business Interests:* Debt and equity positions in non-publicly traded businesses, hedge funds, REITs, interests in limited liability companies and partnerships may only be accepted upon prior written approval of the CEO after review in accordance with the Gift Acceptance Procedures.
   3. *Options and Other Rights in Securities:* Warrants, stock options and stock appreciation rights may only be accepted upon prior written approval of the CEO.

C. *Life Insurance:* The Charity will accept a gift of life insurance provided that the policy has a positive cash surrender value and the Charity has been named both beneficiary and irrevocable owner of the policy.

D. *Real Property:* The Charity does not accept gifts of personal and commercial real property, real estate interests/derivatives, and remainder interests in property (gifts subject to a retained life estate).

E. *Tangible Personal Property:* The Charity does not accept jewelry, books, works of art, collections, or equipment.

F. *Other Property:* Property not otherwise described in this section, whether real or personal, of any description (including but not limited to mortgages, notes, contract rights, copyrights, patents, trademarks, mineral rights, oil and gas interests and royalties) may only be accepted upon prior written approval of the CEO.
VII. Structured Current Gifts
   A. **Bargain Sales:** Transactions wherein the Charity pays less than full value for an asset and issues a gift receipt for the difference may only be accepted upon prior written approval of the CEO after review in accordance with the Gift Acceptance Procedures.
   B. **Charitable Lead Trusts:** The Charity may accept a designation as income beneficiary of a charitable lead trust. The Charity will not serve as trustee of a charitable lead trust.
   C. **IRA Charitable Rollover:** The Charity may accept all gifts directly transferred from an IRA, as permitted under the Pension Protection Act of 2006 and subsequent extensions.
   D. **Matching Gifts:** The Charity will accept all matching gifts, subject to the terms and conditions of Section VI.
   E. **Other Structured Current Gifts:** The Charity may only accept other structured current gifts with prior written approval of the CEO after review in accordance with the Gift Acceptance Procedures.

VIII. Future Gifts
   A. **Future Gifts Subject to a Payment Interest:** The Charity does not directly provide gift annuities, but allows donors to establish these gifts through third party providers. The gift annuity contract is between the donor and the chosen third party provider.
   B. **Charitable Remainder Trusts When the Charity Does Not Serve as Trustee:** The charity will accept designation as charitable beneficiary of charitable remainder trusts that do not name the charity as trustee.
   C. **Future Gifts Not Subject to a Payment Interest:**
      1. **Gifts by Will or Living Trust:** Donors and supporters of the Charity will be encouraged to designate the Charity as a beneficiary of their wills or living trusts.
      2. **Retirement Plan, Life Insurance and Other Beneficiary Designations:** Donors and supporters of the Charity will be encouraged to designate the Charity as beneficiary or contingent beneficiary of their retirement plans, life insurance policies and other accounts on which they can name a beneficiary.

IX. Donor Recognition
   A. **General:** The CEO, upon recommendation of the development staff, establishes criteria for the recognition, honoring and stewarding of donors.
B. **Buildings:** The development staff of the Charity shall make no commitments to donors concerning the naming of buildings or facilities without the approval of the CEO.

X. **Reporting and Valuation Standards**
   A. **Gift Reporting and Counting:** For outright gifts, the Charity shall follow the Council for Advancement and Support of Education ("CASE") Reporting Standards and Management Guidelines for Educational Institutions, Fourth Edition, 2009. For future gifts, the Charity shall follow the PPP Guidelines for Reporting and Counting Charitable Gifts, Second Edition, 2009. All exceptions to these standards shall be made by the FC.
   B. **Gift Valuation:** The Charity shall follow the PPP Valuation Standards for Charitable Planned Gifts. All exceptions to these standards shall be made by the GAC.

XI. **Regular Review:** The CEO shall review these policies in even numbered years to ensure that they continue to accurately describe the policies of the Charity with respect to acceptance of charitable gifts, and shall propose to the full Board for ratification those revisions that the FC shall determine to be necessary or appropriate.