# ENDOWMENT POLICIES

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Endowment Policies and Procedures

I. DEFINITION OF TERMS

A. Endowment - An endowment is an established fund of cash, securities, or other assets set aside for perpetuity to provide long-term funding for the (JAINA).

B. Types of Endowment Funds at the (JAINA or Jain Center)

Two distinct types of Endowment Funds will be established by (JAINA), and they include the following:

1. Restricted Endowment Funds

   Donors who make outright gifts of $100,000 or more are afforded the right to define the allocation of the funds.

   With a minimum outright gift of $5,000 a donor’s endowment gift can be made to a previously-established Named Fund or can be restricted to support a specific program of the (JAINA).

2. Unrestricted Endowment Fund

   (JAINA) accepts gifts of any amount to the (JAINA or Jain Center) permanent Unrestricted Endowment Fund to be used for general operations of the (JAINA). Each year the Board of Directors of the (JAINA) determines the use of this fund’s distribution, based upon operational needs of the (JAINA).

II. TYPES OF GIFTS

A. Outright Gifts - These are gifts offered to the (JAINA) by an individual, corporation, or foundation and include the following:

   1. Cash, Cash Equivalent and/or a written Cash Pledge (usually paid over a two to five-year period)
   2. Stocks: publicly traded, closely held, restricted or other types of stock subject to approval of the Endowment Committee of the (JAINA)
   3. Bonds
   4. Mutual Funds
   5. Real Estate: gifts are accepted on a case-by-case basis
   6. Other outright gifts on a case-by-case basis

B. Estate/Planned Gifts - Types of estate/planned gifts are as follows:

   1. Bequests - Wills and Living Trusts
   2. Retirement Plans: IRAs, 401(K), 403(B), Keogh
   3. Charitable Remainder Trusts
   4. Charitable Lead Trusts
   5. Real Estate
   6. Pooled Income Funds
   7. Life Insurance
   8. Other securities, estate/planned gifts on a case-by-case basis
III. DONOR RECOGNITION FOR ENDOWMENTS

A. Overall Recognition Policy

1. Donors will be thanked promptly in a meaningful way. (JAINA) may establish a legacy society, donor board displayed in a prominent place or other recognition program.

2. Donors’ names will be provided for community recognition.

B. Recognition for Outright Endowment Gifts

Donors who make outright gifts to the (JAINA) Endowment will receive appropriate recognition by the (JAINA).

C. Recognition for Planned/Estate Endowment Gifts

1. Objectives
   Encourages values of our heritage and ensuring that community resources will be available for future generations.

2. Eligibility
   Individuals or families are eligible promising to establish a current endowment of any amount.
   Signers write a personal statement explaining their reasons for leaving a legacy.

3. Key Elements of the Program
   a. A gift made to establish a Donor-Named Restricted Endowment Fund may be paid within the year of the gift or with a binding obligation in the form of a signed endowment pledge or a defined plan, usually not to exceed five years.
   b. For multi-year pledges, 25% of the full commitment needs to be paid before the donor’s name is recognized appropriately.
   c. Should a donor not fulfill the pledge amount one year after the final payment is due, the fund will then become part of the Unrestricted Endowment Fund.

IV. GIFT ACCEPTANCE

A. The Endowment Committee has the authority to accept gifts of cash, stock, bonds and other securities, including certain private and restricted stock.

B. A named fund, either unrestricted or restricted, must be approved by the Board of Directors.

C. Gifts of real estate, insurance, charitable trusts are considered on a case-by-case basis with the guidance and assistance of JAINA.

D. A gift designated for a restricted fund, either named or for the general fund, must be approved by the Endowment Committee and the Board of JAINA.

E. JAINA will not accept a gift that obligates to continue a program that will become a financial burden or is inconsistent with its mission. If at any time, the
Restricted Endowment becomes obsolete, the Board of Directors may designate another purpose.

F. If any asset proposed for contribution is not readily marketable, other than those with a short-term restriction, or is in the process of being removed, or is subject to liabilities, the Executive Director will consult with the Endowment Committee Chair and/or JAINA for disposition.

G. All planned gifts that usually involve tax implications and other forms of financial and estate planning may be reviewed with the JAINA before being presented to the Endowment Committee for their approval.

H. Any assets received above a certain amount (e.g. $25,000) and not otherwise designated will be added to the Unrestricted Endowment.

I. Upon receipt of a gift and/or any gift-related documents, JAINA will record the gift and acknowledge the donor. In addition, the following steps will be taken:
   1. A complete record of every individual donor’s contributions will be maintained.
   2. Restricted gifts will be tracked and maintained by the JAINA.
   3. Personal letters acknowledging all gifts and their conditions will be sent to donors within One Week of receipt signed by the Board, President, and Endowment Committee Chair.

V. MANAGEMENT AND INVESTMENT OF ENDOWMENT

The purpose of endowment funds is to provide consistent sources of income for the programs of the JAINA. The investment management of the Endowment is directed toward maximizing the return of principal while maintaining prudent fiscal guidelines.

A. The overall objectives of Endowment investment are as follows:

   1. Generation of a consistent and stable flow of income for ongoing operating and special programming purposes; and

   2. Appreciation and growth of Endowment for the long-term benefit of JAINA, as well as to protect Endowment principal from erosion through inflation.

B. The management of the Endowment will be guided by the following:

   1. JAINA will develop specific investment guidelines that will include asset allocations, prohibited securities, performance measurement, etc.

   2. A long-term rather than short-term investment approach will be applied; high-risk securities will be avoided.

   3. No more than 3% of the total market value of Endowment principal will be spent in any single fiscal year, in order to balance the effects of inflation as well as continue to build Endowment principal. The original principal balance will not be invaded if donor requests. To spend more than 3%, a special committee meeting shall be called and majority members approval will be sought.
4. Management of Endowment principal and income will take into consideration the near and long-term financial needs of JAINA and will not be solely or primarily dictated by JAINA short-term spending needs.

5. JAINA endowment funds may be held at ________ (Brokerage Account & Bank Account) as a custodial fund, restricted fund or in a separately incorporated supporting foundation.

VI. CONFIDENTIALITY

The needs and concerns of the Donor will be considered first.

A. Protection of Donor’s Interests: JAINA and its volunteer and staff representatives will always consider the interests of its donors as the first priority in the gift planning process. This will include, but not be limited to, the donor’s financial situation and philanthropic interests, as well as any tax or other legal matters discovered by our representatives while planning for a gift. A donor will not be encouraged to make a gift which is inappropriate in light of the donor’s personal or financial situation, and will be advised if a gift proposed by another party or parties is contrary to this policy.

B. Confidentiality: Information learned by any representative of JAINA about a donor or the donor’s assets or philanthropic intentions will be held in strict confidence. All donors will be encouraged to notify JAINA of their endowment gifts, whether outright or planned/estate gifts, including bequests, and all such information will be kept confidential unless permission to release it is obtained from the donor or his/her/its counsel.

C. Donor Intent: If there should come a time that JAINA cannot use the funds of any endowment fund for the program for which the donor originally intended it, JAINA reserves the right to use the fund for a similar and like purpose with the approval of the Endowment Committee and the donor if possible.

D. Use of Donors’ Names: For marketing purposes, JAINA will obtain approval from each donor before gifts are made public.

VII. REVISION AND/OR DONOR AMENDMENT OF ENDOWMENT POLICIES

A. These policies will be periodically reviewed by the appropriate committee(s) and may be amended by a Board resolution.

B. Any endowment gifts made prior to (date) will be grandfathered according to the donor’s original endowment agreement with JAINA.
ENDOWMENT GIFT AGREEMENT BETWEEN

[donor(s)]

and

JAINA

This endowment gift agreement made this [day] day of [month], [year], sets forth the entire understanding between [donor] (the “Donor”) and JAINA, with respect to the JAINA’s administration of the [endowment/fund name] (the “Fund”). JAINA is an agency of the State of _____ and, as such, is exempt from income tax under Section ___ of the Internal Revenue Code. Deductions for contributions to JAINA are allowed by Section _____ of the Code.

1. **Purpose of the Fund**: The Fund has been established to support: [Description of area of support, etc. If a scholarship, reference the specifications here and include them as Attachment A]

2. **Source of the Fund**: The Fund will be established with an initial gift of $[amount]. The Donor or any interested individual, corporation or foundation may make additional gifts to the Fund at any time.

3. **Duration of the Fund**: The Donors intend for the Fund, including all realized and unrealized capital appreciation and depreciation generated by the Fund, to exist in perpetuity with the accumulated “Payout” being made available to support the “Purpose of the Fund” as described in Paragraph 1 above. The “Payout,” a percentage of the fair market value of the Fund as determined from time to time by JAINA Foundation, prior to its expenditure, will be maintained in a separate JAINA Account solely for the benefit of the Purpose of the Fund. The “Payout,” which may from time to time exceed the “net income” (interest, dividend, and any other current income less applicable expenses) generated by the Fund, will be distributed monthly, and will be so distributed in full even if the fair market value of the Fund falls below its historic dollar value (the value of the gift) unless JAINA makes a determination to the contrary.

4. **Investment Authority**: The Fund shall be invested in accordance with the investment policies of JAINA as established from time to time by the JAINA’s Investment Committee. For purposes of investment only, the monies of this Fund may be pooled/commingled with other endowment funds held by the JAINA. At all times, the Fund shall be separately accounted for in the JAINA’s books and records.

5. **Administration of the Fund**: The Fund will be administered by JAINA. Additionally, any distributions to be made from the Fund will be made so long as they do not violate this Agreement, any rules, policies, or procedures promulgated by JAINA from time to time, nor any of the rules and resolutions of the State of Incorporation and any subsequent amendments/revolutions. In the event that any payment required of JAINA hereunder would violate the same, JAINA may refrain from said action and may take other action to accomplish the intent of the Donor as expressed herein.

6. **Administrative Service Fee**: To defray its expenses related to the holding, safeguarding, investing and maintaining of the assets in the Fund and with respect to the monitoring and disbursement of the Payout, JAINA will/not charge an administrative service fee in accordance with the policy established from time to time by the JAINA’s Investment Committee. The Fund will be charged the entire administrative service fee even if the fair market value of the Fund falls below its historic dollar value.
7. **Contingent Use of the Fund:** Should it become clear in future years that the above-stated purpose for this Fund is no longer necessary, practical, desirable or possible to perform, JAINA shall, after consultation with the Donor, if the Donor is still living, designate the Fund for a substitute purpose that is reasonably consistent with and similar to the original intention of the Donor at the time this Agreement was executed. In any such alternate application of the accumulated Payout, the funding source shall be clearly identified as the Fund.

8. **Announcement of the Fund:** Announcement of the Fund, including amount, descriptions of contributions and pertinent details, may be made in any JAINA publication.

9. **Modification of Agreement:** The terms and conditions of this Agreement may not be orally amended, modified, or altered but may be amended, modified, or altered only in writing signed by the Donor and JAINA.

10. **Representatives and Successors Bound:** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their lawful successors.

11. **Governing Law:** This Agreement shall be governed by and interpreted in accordance with the laws of the State of __________.

Signed this ______ day of __________, ______

Signed: ____________________________________  Signed: ____________________________

_______________________________  ______________________________
Donor-1 Name  Donor-2 Name

Signed this ______ day of __________, ______

Signed: ____________________________________  Signed: ____________________________

_______________________________  ______________________________
JAINA Representative Name, Title  JAINA Representative Name, Title

Signed this ______ day of __________, ______

Signed: ____________________________________  Signed: ____________________________

_______________________________  ______________________________
Witness-1 Name  Witness-2 Name
Planned Giving Statement of Intent

This statement is an expression of my intent to provide for the future of [NAME] through a planned or estate gift. The provision(s) made include the following:

___ An outright bequest upon the passing of the donor, or the passing of the donor and spouse.
___ A life insurance policy, in which JAINA is named as beneficiary or owner and beneficiary.
___ Retirement assets, in which JAINA is named as a beneficiary.
___ A trust agreement, with income reserved for the donor, spouse, or other income beneficiary.
___ Other (please specify)_____________________________________________________________

The estimated value of my (our) gift is $__________________.

Purpose

It is my wish that the gift be used:

___ At JAINA’s discretion, to create the greatest impact in our community by supporting its most compelling needs and opportunities.
___ For the following existing fund(s) or purpose:________________________________________

________________________________________

___ To create the following fund (please provide fund name and purpose):__________

________________________________________

If your gift is directed to support a designated project, may we inform the beneficiary of your intent? Yes___ No____

Special circumstances of my gift include:

______________________________________________________________________________

______________________________________________________________________________

______________________________________________________________________________

______________________________________________________________________________

I would like to work with JAINA to create a memorandum of understanding that details the purpose of my gift. Yes_______ No_______
Recognition

JAINA appreciates the opportunity to acknowledge your commitment to the community by publicly recognizing your contribution. If you prefer to remain anonymous, however, we will respect your wishes.

___ I (we) permit JAINA to use my/our name(s) in printed lists of planned gifts, which may appear in JAINA’s annual report, newsletter, web site and/or other publications.

___ I (we) prefer to remain anonymous during my/our lifetime(s). You may recognize my/our gift after you receive it.

___ I (we) prefer to remain anonymous during and after my/our lifetime(s).

Donor Signature        Date  Witness Signature        Date
Printed Name: ____________________________________________
Address: ________________________________________________
City: __________________________ State: ______ Zip Code: __________
Phone: (H) ______ (W) ______ (C) ______
email: ____________________________________________
Date of Birth: __________________________________________

Spouse's Signature        Date  Witness Signature        Date
Printed Name: ____________________________________________
Address: ________________________________________________
City: __________________________ State: ______ Zip Code: __________
Phone: (H) ______ (W) ______ (C) ______
email: ____________________________________________
Date of Birth: __________________________________________

Thank you for your commitment to our community and your investment in its future. If you have any questions, please contact JAINA ENDOWMENTS & PLANNED GIVING COMMITTEE at 914.249.9888 or EMAIL.

*Note for couples: We are happy to list you either separately or as a couple, depending on your preference. If you would like to be recognized as a couple, please complete this form accordingly. If you are making separate planned gifts and prefer to be listed individually in all documents and/or publications, please submit separate forms, one in each name.
JAINA

ENDOWMENTS & PLANNED GIVING COMMITTEE

COMMITTEE MEMBERS:

1. DR. SHRI NARESH SHAH, PA-USA
2. SHRI RISHI JAIN, CA-USA
3. SMT. SANGEETA RANKA, JAIPUR, INDIA
4. SHRI SIDDHARTH D. JAIN, NY-USA
5. SHRI SUNIL DAGA, NY-USA

ADVISOR(S):

1. SMT. MEENA GANDHI, LONDON-UK
2. SHRI SAILESH KHONA, MUMBAI-INDIA/NJ-USA