



ECU Donor Advised Giving Fund

Program Guidelines: Program Circular



Contents

- Overview of activities 3
- Contributions 5
- Investment strategies 7
- Standard investment portfolio overview 8
- Broad Market investment strategies 9
- Socially Responsible investment strategies 11
- Flex investment strategies. 13
- Tax considerations 15
- Grantmaking. 16
- Succession plans and charitable beneficiaries 19
- Recordkeeping and reporting 20
- Fees and expenses. 20

Overview of activities

The ECU Donor Advised Giving Fund Program (“the Program”) offers donor-advised funds (“Giving Funds”) to encourage and promote philanthropy and charitable giving by supporters of East Carolina University and other IRS-qualified U.S. charities. Donors may make irrevocable contributions to a Giving Fund while retaining the philanthropic rewards of charitable giving in an advisory capacity and minimizing ongoing administrative responsibilities. Contributions to a Giving Fund can qualify for an immediate tax deduction to the fullest extent permitted by law.¹ The Program is sponsored and administered by Renaissance Charitable Foundation Inc. (the “Sponsoring Organization”).²

This Program Circular provides an overview of the policies, procedures and benefits associated with creating and maintaining a Giving Fund with the Program. Each Giving Fund is subject to the terms and conditions of the Sponsoring Organization’s certificate of incorporation, bylaws, this Program Circular, and other internal guidelines and procedures, as may be in effect from time to time. The Sponsoring Organization

reserves the right to modify these governing materials and the Program, from time to time, in accordance with its policies and procedures, in its sole discretion.

Once received, contributions are irrevocable and subject to the exclusive legal control of the Sponsoring Organization. To encourage ongoing charitable activities, the Program allows donors to recommend that their irrevocable contributions be allocated among specified investment strategies until a later date when donors may choose to recommend that the funds be distributed to eligible grantees.

Designated contributions for East Carolina University

Fifty percent of all contributions (plus or minus any related investment growth or loss) will be designated for donors to recommend grants only to East Carolina University. Donors may choose to recommend grants of the remaining funds to any permissible IRS-qualified U.S. charity, including, but not limited to, East Carolina University.



Establishing a Giving Fund

Individuals, families, trusts, estates, corporations and other entities are eligible to open a Giving Fund. To establish a Giving Fund, interested parties must complete an application and make an initial contribution to the Program. Initial contribution requirements vary and are set forth on page 5 of this Program Circular. Applications may be completed online at ecu.donorfirstx.com.

When completing an application, donors will be asked to provide a name for the Giving Fund. The Giving Fund may be named after the donor (e.g., the “John Doe Giving Fund”), the donor’s family (e.g., the “Doe Family Charitable Giving Fund”), a friend or family member, an area of interest, or a name with personal significance. Giving Fund names are subject to review and approval by the Sponsoring Organization. Unless anonymity is requested when making a grant recommendation, the Giving Fund name will be included in the Program’s correspondence with organizations that receive grants from the Giving Fund.

By establishing a Giving Fund with the Program, the donor authorizes the Sponsoring Organization to share donor account data with East Carolina University,

including, but not limited to, donor and related-party contact information, contributions to the Giving Fund, investments in the Giving Fund and grants from the Giving Fund.

Donors

Up to six donors may be associated with a Giving Fund, and all donors share equal rights and privileges. All donors may contribute to the Giving Fund, recommend investment allocations, and appoint donors and successors. All donors also serve as grant advisors with full privileges to recommend grants and name charitable beneficiaries. Giving Fund correspondence will be available online or mailed to the address(es) on record, as applicable. All donors must be over the age of 18.

Donors can also authorize advisors—such as financial advisors, accountants, attorneys or other third-party individuals—to have access to their Giving Fund. To the extent duly authorized by the donor(s), advisors or other third-party individuals will be permitted to act on behalf of the donor(s) in limited capacities. Access will terminate upon the death of the donor who authorized the advisor or other third-party individual to access the Giving Fund.³

Contributions

To establish a Giving Fund, the donor(s) must submit a completed application and an initial contribution of \$5,000 or more. Additional contributions may be made at any time, but no additional contributions are required. The minimum permissible additional contribution amount is: \$250.

Fifty percent of all contributions (plus or minus any related investment growth or loss) will be designated for donors to recommend grants only to East Carolina University. Donors may choose to recommend grants of the remaining funds to any IRS-qualified U.S. charity, including, but not limited to, East Carolina University.

The Program accepts contributions of cash, publicly traded securities and certain complex assets that may include real estate, C-corp stock, LLC and limited partnership interests, life insurance policies, patents, royalties, and copyrights. Cash contributions must be in U.S. dollars and delivered by check or electronic transfer. The Program will not accept contributions of foreign currency or certain cash-like monetary instruments, including treasurer's checks, bank drafts, traveler's checks, or postal or other types of money orders. The Program does not accept contributions by credit card.

For contributions of publicly traded securities, please complete and submit an online form or contact a Program representative to obtain transfer instructions and forms. Once a contribution of publicly traded securities is accepted, the Sponsoring Organization expects to sell the shares. Generally, the contributed shares will be sold as soon as possible, but the timing of such sales will be determined by the Sponsoring Organization in accordance with its policies and procedures in its sole discretion. The net proceeds from the sale of contributed publicly traded securities will be credited to and reflected in the asset value of the Giving Fund after the Sponsoring Organization has received

the proceeds from the sale of the contribution. The net proceeds will be allocated pursuant to the applicable investment strategy(ies). Donors may not impose restrictions or conditions on amounts contributed to their Giving Fund.

For contributions of complex assets, please contact us at **800-464-9803**.

All contributions are subject to review and approval by the Sponsoring Organization. If a contribution is not accepted, the donor will be notified promptly and the contribution will be returned as soon as possible. If accepted, contributions are irrevocable, non-refundable and subject to the exclusive legal control of the Sponsoring Organization.

Third-party contributions

In addition to donors, third parties are also permitted to make charitable contributions to the Program for allocation to a Giving Fund and may be eligible to take a tax deduction for their contributions. All contributions must meet the criteria outlined in this Program Circular. Please note that third-party contributors will not have any Giving Fund authority or privileges (including the ability to recommend grants or investment allocation) with respect to such contributions. For more information on third-party contributors/contributions, please contact a Program representative.

Confirmation of contributions

Once a contribution is accepted and received, the Sponsoring Organization will provide the individual making the contribution with a confirmation letter sent by mail acknowledging the contribution, as required by law. A copy of this acknowledgment will also be available online. For contributions of cash, the letter will include the amount of cash contributed and the date

the check was postmarked (if mailed), dated (if paid online) or received by the Sponsoring Organization (for any other method).

For contributions of publicly traded securities, the letter will include the security's name, the number of shares contributed and the date the security was received by the Sponsoring Organization. Confirmation letters should be read carefully. Any errors must be reported immediately to a Program representative.

Contribution confirmation letters serve as receipts for contributors. Contributors should keep these letters with their tax records for the year in which the contribution was made. Before claiming a tax deduction for any contribution to the Program, donors should consult with their tax or legal advisors. Additionally, donors will receive a notification of third-party contributions; however, such notifications are for informational purposes only.



Investment strategies⁴

Contributions to the Program will be invested pursuant to one or more available investment strategies. The guiding philosophy of the Program's investment management is to promote the prudent stewardship of its charitable assets. The availability of any particular investment strategy will be dependent upon the amount of the donor's initial contribution. The investment strategies are broadly diversified across asset classes and portfolios based on time horizons, risk tolerances and other criteria. The Program provides professional investment management through its advisors: Nuveen, TIAA's dedicated investment arm, for the Standard portfolio strategy.

Investment strategy descriptions are provided for each investment option to offer information and help identify the level of risk and investment characteristics that

may align with various giving objectives. Donors may recommend investment allocation changes, subject to approval by the Sponsoring Organization, which reserves the right to decline recommendations if they become excessively frequent, cause unnecessary expense or for any other reason.

All investment strategies are subject to varying fees and expenses which may change and impact the daily net asset value (NAV). The annual expense charge also includes fees for the underlying investments. Please refer to each fund's current prospectus for a detailed description of all fees, expenses and additional information. Prospectuses are available at **TIAA.org**.

Minimums for each approach are outlined in the Contributions and Grantmaking sections, respectively. Donors can reallocate within their selected investment portfolio no more than every 30 days.



Standard investment portfolio overview

There are three portfolio options available: Broad Market, Socially Responsible and Flex, each with several investment options. The Broad Market options offer asset allocation target-risk strategies that are each designed to align with a profile. The Socially Responsible Investment (SRI) options offer allocations that comprise a varying blend of a socially responsible equity fund and a socially responsible bond fund designed to align with the same profiles. The Flex strategies offer nine options that currently comprise allocations to a variety of equity and fixed-income options. Investment strategy descriptions are provided for each investment option to

offer information and help identify the level of risk and investment characteristics that may align with various giving objectives. Donors who wish to recommend investments across portfolio strategies may do so through a mix and match approach.

Investment portfolio options

Choose from a selection of investment options across the risk spectrum to create your preferred investment mix. All options are made available in the Institutional share class.



Broad Market investment strategies

Broad Market investment strategies are available in the form of multi-asset lifestyle funds that target five progressively increasing risk levels ranging from conservative to aggressive. Each Broad Market strategy is intended to provide an opportunity to achieve a relatively well-diversified investment exposure through a single mutual fund investment consistent with the investment profiles described below. The Broad Market investment strategies seek to target their overall risk levels primarily by maintaining relatively stable asset allocations between a variety of equity and fixed-income investments, as detailed in the individual Broad Market strategy descriptions below.

Lifestyle Income strategy

The Lifestyle Income strategy emphasizes a relatively stable asset allocation that targets an income-oriented and conservative risk/return profile. The strategy seeks current income with some capital appreciation through a “fund of funds” approach, whereby it will make investments in Institutional-class shares of other TIAA-CREF funds. The strategy will generally seek to meet its objective by investing: (1) approximately 20% of its assets in underlying equity funds, and (2) approximately 80% in underlying fixed-income funds. The strategy may deviate from these target allocations by up to 10%, depending on current market conditions and outlook. The Lifestyle Income strategy will reflect investments across a mix of domestic and foreign equities of all capitalization sizes and a variety of domestic and foreign fixed-income instruments across maturities and credit qualities. This strategy is designed to be accomplished through allocation to the TIAA-CREF Lifestyle Income Fund (TSITX).

Lifestyle Conservative strategy

The Lifestyle Conservative strategy emphasizes a relatively stable asset allocation that targets a conservative risk/return profile. The strategy seeks

long-term total return consisting of current income and capital appreciation through a “fund of funds” approach, whereby it will make investments in Institutional-class shares of other TIAA-CREF funds. The strategy will generally seek to meet its objective by investing: (1) approximately 40% of its assets in underlying equity funds, and (2) approximately 60% in underlying fixed-income funds. The strategy may deviate from these target allocations by up to 10% depending on current market conditions and outlook. The Lifestyle Conservative strategy will reflect investments across a mix of domestic and foreign equities of all capitalization sizes and a variety of domestic and foreign fixed-income instruments across maturities and credit qualities. This strategy is designed to be accomplished through allocation to the TIAA-CREF Lifestyle Conservative Fund (TCSIX).

Lifestyle Moderate strategy

The Lifestyle Moderate strategy emphasizes a relatively stable asset allocation that targets a moderate risk/return profile. The strategy seeks long-term total return consisting of capital appreciation and current income through a “fund of funds” approach, whereby it will make investments in Institutional-class shares of other TIAA-CREF funds. The strategy will generally seek to meet its objective by investing: (1) approximately 60% of its assets in equity funds, and (2) approximately 40% in fixed-income funds. The strategy may deviate from these target allocations by up to 10% depending on current market conditions and outlook. The Lifestyle Moderate strategy will reflect investments across a mix of domestic and foreign equities of all capitalization sizes and a variety of domestic and foreign fixed-income instruments across maturities and credit qualities. This strategy is designed to be accomplished through allocation to the TIAA-CREF Lifestyle Moderate Fund (TSIMX).

Lifestyle Growth strategy

The Lifestyle Growth strategy emphasizes a relatively stable asset allocation that targets a growth-oriented risk/return profile. The strategy seeks long-term growth of capital with some current income through a “fund of funds” approach, whereby it will make investments in Institutional-class shares of other TIAA-CREF funds. The strategy will generally seek to meet its objective by investing: (1) approximately 80% of its assets in underlying equity funds, and (2) approximately 20% in underlying fixed-income funds. The strategy may deviate from these target allocations by up to 10% depending on current market conditions and outlook. The Lifestyle Growth strategy will reflect investments across a mix of domestic and foreign equities of all capitalization sizes and a variety of domestic and foreign fixed-income instruments across maturities and credit

qualities. This strategy is designed to be accomplished through allocation to the TIAA-CREF Lifestyle Growth Fund (TSGGX).

Lifestyle Aggressive Growth strategy

The Lifestyle Aggressive strategy seeks long-term growth of capital through a “fund of funds” approach, whereby it will make investments in Institutional-class shares of other TIAA-CREF funds. The strategy will generally seek to meet its objective by investing approximately 100% of its assets in underlying equity funds. The strategy may deviate from this target allocation by up to 10%, depending on current market conditions and outlook. The Lifestyle Aggressive Growth strategy will reflect investments across a mix of domestic and foreign equities of all capitalization sizes. This strategy is designed to be accomplished through allocation to the TIAA-CREF Lifestyle Aggressive Growth Fund (TSAIX).



Socially Responsible investment strategies

The five SRI strategies are aligned with the risk levels and investment objectives of the Broad Market strategies. The allocations will target a range of equity and fixed-income allocations consistent with those of the Broad Market strategies. In each case, the allocation will be implemented with a varying blend of a socially responsible equity fund and a socially responsible bond fund. Descriptions of the strategies and their underlying funds are below.

Social Choice Income strategy

The Social Choice Income strategy emphasizes a relatively stable asset allocation by targeting an income-oriented and conservative risk/return profile. The strategy seeks current income with some capital appreciation while giving special consideration to certain environmental, social and governance (ESG) criteria. This strategy is designed to be accomplished through a blend of 20% TIAA-CREF Social Choice Equity Fund (TISCX) and 80% TIAA-CREF Social Choice Bond Fund (TSBIX).

Social Choice Conservative strategy

The Social Choice Conservative strategy emphasizes a relatively stable asset allocation strategy, targeting a conservative risk/return profile. The strategy seeks total return consisting of capital appreciation and current income through a relatively stable asset allocation strategy while giving special consideration to certain ESG criteria. This strategy is designed to be accomplished through a blend of 40% TIAA-CREF Social Choice Equity Fund (TISCX) and 60% TIAA-CREF Social Choice Bond Fund (TSBIX).

Social Choice Moderate strategy

The Social Choice Moderate strategy emphasizes a relatively stable asset allocation strategy, targeting a moderate risk/return profile. The strategy seeks total return consisting of capital appreciation and current income while giving special consideration to certain ESG criteria. This strategy is designed to be accomplished through a blend of 60% TIAA-CREF Social Choice Equity Fund (TISCX) and 40% TIAA-CREF Social Choice Bond Fund (TSBIX).

Social Choice Growth strategy

The Social Choice Growth strategy emphasizes a relatively stable asset allocation strategy, targeting a growth-oriented risk/return profile. The strategy seeks long-term growth of capital while giving special consideration to certain ESG criteria. This strategy is designed to be accomplished through a blend of 80% TIAA-CREF Social Choice Equity Fund (TISCX) and 20% TIAA-CREF Social Choice Bond Fund (TSBIX).

Social Choice Aggressive strategy

The Social Choice Aggressive strategy emphasizes a relatively stable asset allocation strategy, targeting an aggressive risk/return profile. The strategy seeks long-term growth of capital while giving special consideration to certain ESG criteria. This strategy is designed to be accomplished through a blend of 95% TIAA-CREF Social Choice Equity Fund (TISCX) and 5% TIAA-CREF Social Choice Bond Fund (TSBIX).



The above blends comprise the following funds:

TIAA-CREF Social Choice Equity Fund (TISCX): The Social Choice Equity Fund seeks a favorable long-term total return that reflects the investment performance of the overall U.S. stock market while giving special consideration to certain social criteria. The Social Choice Equity Fund invests at least 80% of its assets in equity securities, and the fund’s investments are subject to certain ESG criteria.

TIAA-CREF Social Choice Bond Fund (TSBIX): The Social Choice Bond Fund seeks a favorable long-term total return through income and capital appreciation, as is consistent with preserving capital while giving special consideration to certain social criteria. The fund typically invests at least 80% of its assets in a broad range of investment-grade bonds, including, but not limited to, U.S. government securities, corporate bonds, taxable municipal securities, and mortgage-backed or other asset-backed securities. The Social Choice Bond Fund’s investments in fixed-income securities issued by corporate entities and certain foreign government entities are subject to ESG criteria.

Flex investment strategies

Flex investment strategies are available to donors who want to take a more hands-on approach. Donors may recommend any combination of the nine options below.

TIAA-CREF Money Market Fund (TCIXX)⁵

The TIAA-CREF Money Market Fund seeks high current income consistent with maintaining liquidity and preserving capital. Generally, the Money Market Fund seeks to maintain a share value of \$1 per share. The fund invests at least 99.5% of its total assets in cash, U.S. government securities and/or repurchase agreements that are collateralized fully by cash or U.S. government securities. Investments include: (1) securities issued by, or whose principal and interest are guaranteed by, the U.S. government or one of its agencies or instrumentalities, and (2) repurchase agreements involving securities issued or guaranteed by the U.S. government or one of its agencies or instrumentalities. Short-term U.S. government securities generally pay interest that is among the lowest for income-paying securities. Because of this, the yield on the fund will likely be lower than the yields on funds that invest in longer-term or lower-quality securities. The fund's investments will be made in accordance with the applicable rules governing the quality, maturity, and diversification of securities and other instruments held by money market funds. The fund maintains a dollar-weighted average maturity of 60 days or less and a dollar-weighted average life to maturity of 120 days or less. The fund invests in debt obligations with a remaining maturity of 397 days or less.

TIAA-CREF Short-Term Bond Fund (TISIX)

The TIAA-CREF Short-Term Bond Fund seeks high current income consistent with preservation of capital. It typically invests at least 80%⁶ of its assets in U.S. Treasury and agency securities and investment-grade corporate bonds with an average maturity of less than three years. The fund may overweight or underweight individual securities or sectors, compared to their

weight in the index, when the portfolio managers find undervalued or overlooked issues that they believe offer the potential for superior returns. Although the fund may invest in fixed-income securities of any maturity, the duration of the fund's portfolio typically ranges between one and three years. The fund may also invest up to 20% of its assets in fixed-income securities of foreign issuers.

TIAA-CREF Bond Fund (TIBDX)

The TIAA-CREF Bond Fund seeks a favorable long-term total return through income, primarily from investment-grade, fixed-income securities. Under normal circumstances, the fund invests at least 80%⁶ of its assets in bonds. For these purposes, bonds include fixed-income securities of all types. The fund primarily invests in a broad range of investment-grade bonds and fixed-income securities, including, but not limited to, U.S. government securities, corporate bonds, and mortgage-backed and other asset-backed securities. The fund may also invest in other fixed-income securities, including those of non-investment-grade quality.

TIAA-CREF Bond Index Fund (TBIIX)

The TIAA-CREF Bond Index Fund seeks a favorable long-term total return, mainly from current income, by primarily investing in a portfolio of fixed-income securities that is designed to produce a return that corresponds with the total return of the U.S. investment-grade bond market based on a broad bond index. Under normal circumstances, the fund invests at least 80%⁶ of its assets in bonds within its benchmark and portfolio-tracking index, the Barclays U.S. Aggregate Bond Index (the "Index"). The fund uses a sampling technique to create a portfolio that closely matches the overall investment characteristics of the Index (e.g., duration, sector diversification and credit quality) without investing in all of the securities in its index.

TIAA-CREF Equity Index Fund (TIEIX)

The TIAA-CREF Equity Index Fund seeks a favorable long-term total return, mainly through capital appreciation, by investing primarily in a portfolio of equity securities selected to track the overall U.S. equity markets based on a market index. Under normal circumstances, the fund invests at least 80%⁶ of its assets in equity securities of its benchmark index (the Russell 3000[®] Index, which measures the performance of the largest 3,000 U.S. companies, representing approximately 98% of the investable U.S. equity market). The fund buys most, but not necessarily all, of the stocks in its benchmark index and will attempt to closely match the index's overall investment characteristics.

TIAA-CREF Social Choice Low Carbon Equity Fund (TNWCX)

The Social Choice Low Carbon Equity option seeks a favorable total return that reflects the investment performance of the overall U.S. stock market, while giving special consideration to certain ESG criteria. The fund also favors companies that demonstrate leadership in managing and mitigating current carbon emissions and potential future emissions resulting from fossil fuel reserves. The fund invests at least 80%⁶ of its assets in equity securities and attempts to achieve investment results that reflect the return of the U.S. stock market as represented by its benchmark index, the Russell 3000[®] Index. All companies must meet or exceed minimum ESG performance standards to be eligible for inclusion in the fund.

TIAA-CREF Growth & Income Fund (TIGRX)

The TIAA-CREF Growth & Income Fund seeks a favorable long-term total return through both capital appreciation and investment income, primarily from income-producing equity securities. Under normal

circumstances, the fund invests at least 80%⁶ of its assets in equity securities and may invest up to 20% of its assets in foreign issuers. In seeking a favorable long-term total return, the fund will invest primarily in large-cap securities that are valued attractively and have the potential for above-average capital appreciation, dividend income or both. Particular focus is placed on companies that are leaders in their respective industries with sustainable competitive advantages led by strong management teams.

TIAA-CREF International Equity Index Fund (TCIEX)

The TIAA-CREF International Equity Index Fund seeks a favorable long-term total return, mainly through capital appreciation, by investing primarily in a portfolio of foreign equity investments based on a market index. Under normal circumstances, the fund invests at least 80%⁶ of its assets in securities of its benchmark index, the MSCI EAFE[®] Index, which measures stock performance in certain countries outside North America. The fund buys most, but not necessarily all, of the stocks included in its benchmark index and will attempt to closely match the index's overall investment characteristics.

TIAA-CREF International Equity Fund (TIIEX)

The TIAA-CREF International Equity Fund seeks a favorable long-term total return, primarily from equity securities of foreign issuers. Under normal circumstances, the International Equity Fund invests at least 80%⁶ of its assets in equity securities of foreign issuers. Particular emphasis is placed on companies with performance-oriented management teams that focus on growth through innovation, sustainable earnings growth and shareholder returns. The fund may invest in emerging markets to varying degrees, depending on the prevalence of stock-specific opportunities.

Tax considerations⁷

Charitable deductions

In general, donors are eligible to take an itemized charitable deduction on the date the charitable contribution is made to the Program, subject to the general limitations described below. The value of the deduction will depend, in part, on the type of asset contributed. This Program Circular addresses only federal income taxes. Rules and regulations regarding tax deductions for charitable giving vary at the federal, state and local levels, and should be discussed with your tax advisor.

Tax deductions for contributions made by individuals to public charities, including the Sponsoring Organization of the ECU Donor Advised Giving Fund Program, are limited each year depending on the form of the gift. These limitations include all contributions made to public charities during the year.

General deduction amounts follow:

- **Cash (by check or electronic funds transfer):** The deduction is generally for the amount of the contribution. A check is deemed contributed on the date that it is postmarked by the U.S. Postal Service.
- **Publicly traded securities:** For publicly traded securities held for more than one year, the donor's tax deduction will generally be the fair market value of the securities on the date the contribution is made. For this purpose, the IRS determines fair market value to be the mean of the high and low prices reported on the date the contribution is made.

Maximum percentage of adjusted gross income that can be deducted:

- **Cash:** 60% of adjusted gross income
- **Publicly traded securities held more than one year:** 30% of adjusted gross income

Contributions exceeding these limits may be carried forward for up to five years.

Appreciation and income generated by assets in a Giving Fund are the property of the Sponsoring Organization and are not eligible for charitable contribution deductions. Similarly, donors are not eligible for additional deductions for grants made from a Giving Fund.

The ability to claim a deduction may be subject to certain other limitations under applicable federal, state, and local tax laws and regulations. The Sponsoring Organization, East Carolina University, the Program and their respective agents do not offer legal or tax advice. Donors are strongly encouraged to consult with their legal or tax advisors regarding any potential contribution or strategy.

Tax forms

The IRS requires, among other things, that taxpayers complete and file a Form 8283 with their federal income tax return for gifts of property (including publicly traded and other securities, as well as non-publicly traded assets) valued at \$500 or more. Contributors to the Program should consult with their legal or tax advisors to determine the requirements applicable to their contributions, including additional requirements that may apply in the case of contributions of complex assets.

Grantmaking

The grantmaking process

Although contributions to the Program are irrevocable and become the property of the Sponsoring Organization, donors may recommend grants from their Giving Fund to permissible grant recipients.

The Program has been established in part to help support East Carolina University and its endeavors. All contributions will be split between a designated fund and a discretionary fund, with 50% of contributions being allocated to the designated fund and 50% being allocated to the discretionary fund. Donors may recommend grants from the designated fund only to East Carolina University. Amounts held in the discretionary fund may be granted to a broader range of grant recipients. Donors may recommend grants from the discretionary fund to support any permissible grant recipients, including, but not limited to, East Carolina University.

A donor may recommend that a grant be used by the grant recipient for a specific project or purpose, or be designated in honor of a person. The Program will

review the grant recommendation, including the grant purpose or designation and, if approved, will convey the intended grant purpose or designation to the grant recipient.

When recommending a grant, a donor may choose to have the grant identified as being recommended by: (1) donor name and Giving Fund name, (2) the name of choice (donor's or someone else's) by selecting "Recommended by" and indicating the specific name with an option to add a mailing address in the fields provided, or (3) the donor may choose to remain anonymous and not be identified, in which case, following approval, the grant will be identified as recommended by an ECU Donor Advised Giving Fund donor who wishes to remain anonymous. The donor may also choose to recommend the grant in recognition of another person or party.

Grant recommendations are non-binding and are subject to review and approval by the Sponsoring Organization. If a grant recommendation is approved, confirmation of the grant will be sent to the submitting donor only. All



grant activity is viewable online at any time. If a grant recommendation is rejected, the Program will notify the recommending donor as soon as practicable.

Grant recommendations can be submitted by completing and submitting a form online or by calling a Program representative. All grant recommendations must include the name of the recommended grant recipient and the dollar amount of the recommended grant. For each grant, the funds will be withdrawn on a pro rata basis from each investment option in the Giving Fund.

The Program requires that grant recommendations be made in the amount of \$50 or more. It permits an unlimited number of grants annually. Grant recommendations are funded as soon as possible, typically within a three-to-ten business day period. Upon approval of a grant recommendation, the Sponsoring Organization will liquidate the appropriate amount from the Giving Fund and send the grant to the recommended organization in the form of a check. An enclosed letter will acknowledge the donor who recommended the grant (unless he or she requests anonymity), and a written confirmation of the grant will be available online. If the amount of a grant recommendation exceeds the total available Giving Fund balance, the donor recommending the grant will be asked to recommend a grant in a different amount or be given the option of making an additional contribution.

Permissible grant recipients: Qualified charitable organizations

Grants may only be made to organizations that are exempt from U.S. federal income tax under Section 501(c)(3) of the Code and that are classified as public charities under Code Section 509(a)(1), (2) or (3) (excluding Type III supporting organizations and certain other organizations) (together, “qualified charitable organizations”). Grants are not permitted to any type of supporting organization if the donor (or any related party) directly or indirectly controls any entity supported by the supporting organization. In addition, grants to private operating foundations may be permissible subject to the Sponsoring Organization’s due diligence procedures; grants to private non-operating foundations are not permitted.

The Program only permits grants that are exclusively for charitable purposes. Grants may not be used:

- To fulfill legally binding pledges already made to a charity
- To provide more than an incidental benefit to an individual (this includes grants for which any portion of the grant would offer a private benefit [a “bifurcated payment”], such as where a portion of a grant is not tax-deductible because it is used to purchase a table at an event)
- For lobbying purposes or to support political campaigns

Grants also cannot be made to foreign organizations. However, grants can be in support of overseas causes, provided the recipient is a qualified charitable organization supporting these efforts (e.g., UNICEF or United Way International).

The Program will perform necessary diligence to verify that: (1) the recommended grant recipient is a qualified charitable organization; (2) the recommended grant will be made for exclusively charitable purposes; and (3) the recommended grant satisfies all applicable legal requirements and is consistent with the policies and procedures of the Sponsoring Organization and of the Program, each as may be in effect at the time of the grant recommendation.

Giving Fund grantmaking activity

The Program promotes philanthropy by seeking charitable contributions that can be used to support East Carolina University and other qualified charitable organizations. The Program expects that, taken together, Giving Funds will meet a minimum level of grant distributions that will exceed 5% of its average net assets (“Grant Target”) on a fiscal five-year rolling

basis. If this level of grant activity is not attained, the Sponsoring Organization will identify Giving Funds from which grants over the same five-year period had little to no grantmaking activity. The Sponsoring Organization will then contact donors for such Giving Funds to request that they recommend grants to East Carolina University or other qualified charitable organizations in an amount equal to or in excess of the Grant Target. If no donor for the Giving Fund provides grant recommendations in an amount equal to or in excess of the Grant Target within 60 days of such a request, the Sponsoring Organization reserves the right to transfer an amount equal to no more than the Grant Target from the Giving Fund to East Carolina University. The amount will be drawn first from the particular Giving Fund’s designated fund. If the designated fund does not contain sufficient funds, the remainder will be drawn from the particular Giving Fund’s discretionary fund.



Succession plans and charitable beneficiaries

Upon the death of the last surviving donor, any and all remaining balance in the designated fund will be distributed to East Carolina University. For the discretionary fund, donors may recommend a succession plan for their Giving Fund. If the Giving Fund has multiple donors, the distribution to East Carolina University and any succession plan with respect to the discretionary fund will be effectuated only after the death, incapacitation or resignation of the last surviving donor. For the discretionary fund, donors may: (1) appoint successor donors for the Giving Fund who will assume donor privileges after the death, incapacitation or resignation of the last surviving donor; (2) recommend qualified charitable organizations as beneficiaries to receive a final grant of the remaining balance of the Giving Fund after the death of the last surviving donor; or (3) recommend a combination of successor donors and charitable beneficiaries. Minors can be named as successors, but donors are urged to consider naming at least one successor who is not a minor due to donor restrictions pertaining to minors.⁸ Donors may amend the succession plan recommendation by contacting a Program representative.

If a succession plan is not recommended, then upon the death, incapacitation or resignation of the last surviving donor, any remaining Giving Fund balance in the discretionary fund will also be transferred to East Carolina University.

Successor Donor option

Once the Program receives written confirmation (in a form acceptable to the Program) of the death, incapacitation or resignation of the last surviving donor, designated successors will become donors and will be granted all the associated Giving Fund rights and responsibilities.

Final Grant option

If donors choose to recommend one or more qualified charitable organizations as beneficiary of the Giving Fund, the recommendation will be reviewed by the Program when made and then again when the Program receives written confirmation (in a form acceptable to the Program) of the death, incapacitation or resignation of the last surviving donor. If approved, the recommended qualified charitable organization(s) will receive the remaining balance of the discretionary fund subject to any applicable restrictions with respect to mandated distributions to East Carolina University. If more than one qualified charitable organization is recommended, the remaining discretionary fund balance will be divided and distributed equally, subject to any applicable restrictions with respect to mandated distributions to East Carolina University. In the event that the recommended charitable organization(s) no longer exists at the time of the last surviving donor's death, the Program will instead transfer the amount that was to have been allocated to the recommended charitable organization to East Carolina University.

Combination option

If you recommend a combination of individual successors and qualified charitable organizations as beneficiaries of the discretionary fund, 50% of the Giving Fund balance will remain in the Giving Fund for your successors. The remainder will be distributed to the approved qualified charitable organizations in equal amounts. All policies noted in the previous paragraphs regarding successors and beneficiaries will apply.

The Program may consider modifications to the Succession Plan options and Final Grant options referenced above upon the request of an authorized donor.

Recordkeeping and reporting

Confirmation of Giving Fund activity

The Program will provide online confirmation of all Giving Fund transactions, generally within three-to-ten business days of processing. All confirmations of contributions, grants and other Giving Fund transactions will be available to donors on the Program's website, as described below. All donors have access to the Program's website, which allows donors to:

- Recommend grants
- View real-time balances and associated investment option holdings
- View transaction histories (including information about grants, contributions, fees and investment allocations), as well as real-time status of pending transactions
- Maintain a list of primary charities of interest and/or frequently granted-to charities
- Configure periodic and recurring grants

Financial reports

The Program will provide other financial reports or information required by law, as well as quarterly statements, quarterly performance reports and an annual statement. Statements are available online and should be read carefully.

Fees and expenses

Each Giving Fund will be assessed an administration fee. The fee will be assessed pro rata on a monthly basis. The fee structure and Giving Fund balance will generally be calculated using the average daily balance and will impact the amount available for grants. Fees are based on the total Giving Fund balance, as follows:

- First \$500,000 (balances up to \$500,000) = 0.60% or \$100, whichever is greater
- Next \$500,000 (balances between \$500,001 and \$1,000,000) = 0.30%
- Next \$1,500,000 (balances between \$1,000,001 and \$2,500,000) = 0.20%
- Additional assets over \$2,500,000 (balances of more than \$2,500,000) = 0.15%

In addition to the fees referenced immediately above, a short-term balance fee equal to \$150 will be applied to Giving Funds that are closed within one year of opening.

Please visit ecu.donorfirstx.com for additional expense information.