



THE UNIVERSITY AT ALBANY FOUNDATION

Gift Annuity Disclosure Statement

Description of a Gift Annuity

A gift annuity is a simple contract between the donor(s) and The University at Albany Foundation (hereinafter "UAF"). In exchange for the donor's(s') contribution, UAF promises to make fixed payments for life to one or two annuitants (usually, but not necessarily, the donor(s)). The amount paid is based on the age(s) of the annuitant(s), in accordance with UAF's rate schedule.

Not a Commercial Investment

The act of establishing a gift annuity with UAF is not, and should not be viewed as, an investment. Rather, it is a way to arrange for annuity payments while making a charitable donation. In this respect, a gift annuity issued by UAF is different from a commercial annuity. While both types of annuities make payments that are usually partially tax-free, the charitable donation aspect of establishing a gift annuity may result in additional tax benefits that are not available when purchasing a commercial annuity. These tax benefits include a current federal income tax charitable deduction (if you itemize your deductions) and possible future estate tax savings.

Gift Annuity Rates

Generally, the gift annuity rates paid by UAF are those suggested by the American Council on Gift Annuities, which is a national organization of charities that has been in existence since 1927. These rates have been calculated so as to provide attractive payments to the donor and/or other annuitant(s) and also to result in a significant portion of the contribution remaining for the charity. Because a charitable gift is involved, the rates are lower than those available through commercial annuities offered by insurance companies and other financial institutions.

Assets Backing Annuity

The annuity payments are a general obligation of UAF, and they are backed by all of our assets (subject to security interests). As of June 30, 2019 the market value of our total invested funds was \$98,200,000, and they are invested in equity securities, fixed income securities, real assets, and other vehicles. Included is a gift annuity reserve fund valued at \$2,150,000 in accordance with the laws of the states in which we offer gift annuities. Assets received by UAF for gift annuities are managed internally, in a conservative and disciplined manner. If UAF should ever fail financially, individuals entitled to receive annuities will qualify as general creditors of UAF.

Governance

Responsibility for governing UAF, which was established in New York in 1927, is vested in a Board of Directors composed of 35 persons, who are elected or appointed. Common investment funds managed by our organization are exempt from registration requirements of the federal securities laws, pursuant to the exemption for collective investment funds and similar funds maintained by charitable organizations under the Philanthropy Protection Act of 1995 (P.L. 104-62). Information in this statement is provided to you in accordance with the requirements of that Act.

Points to Remember

- A contribution for a gift annuity is irrevocable.
- The right to annuity payments may not be assigned to any person or organization, other than UAF.
- The gift date is the date when you actually transfer assets. In the case of cash, it is the date you mail or deliver a check. In the case of an electronic transfer of securities, it is the date they are received into the account of UAF. If you have certificates, it is the date they are properly endorsed and mailed or delivered.
- The gift annuity is governed by applicable state laws.

For More Information

This disclosure statement is intended to provide basic information regarding the gift annuities issued by UAlbany Foundation, and is not intended to serve as legal advice.

If you have additional questions concerning UAlbany Foundation's gift annuity program, please call or write:

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