



## THE UNIVERSITY AT ALBANY FOUNDATION

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### 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 "UAlbany Foundation"). In exchange for the donor's(s') contribution, UAlbany Foundation 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 UAlbany Foundation's rate schedule.

#### **Not a Commercial Investment**

The act of establishing a gift annuity with UAlbany Foundation 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 UAlbany Foundation 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 UAlbany Foundation 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 UAlbany Foundation, and they are backed by all of our assets (subject to security interests). As of <Valuation Date> the market value of our total invested funds exceeded \$2,300,000, and they are invested in <Types of Investments>. We also maintain a gift annuity reserve fund valued at more than \$0 in accordance with the laws of the states in which we offer gift annuities. Assets received by UAlbany Foundation for gift annuities are managed by Fidelity Trust International, in a conservative and disciplined manner. If UAlbany Foundation should ever fail financially, individuals entitled to receive annuities will qualify as general creditors of UAlbany Foundation.

#### **Governance**

Responsibility for governing UAlbany Foundation, which was established in New York in 1982, is vested in a <Board of Directors> composed of 52 persons, who are elected by the Board. 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 UAlbany Foundation.
- 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 UAlbany Foundation. 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.

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

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