

Gift Acceptance Guidelines for the Adi Da Foundation

The Adi Da Foundation (“the Foundation”), a not-for-profit organization organized under the laws of the State of California and qualified as a Section 501(c)(3) exempt organization under the Internal Revenue Code, encourages the solicitation and acceptance of gifts to the Foundation that will help the Foundation to further and fulfill its purposes.

PURPOSE OF THE GUIDELINES

The Board of Directors and the staff of the Foundation solicit current and deferred gifts from individuals, corporations, and foundations to ensure that the Foundation will fulfill its purposes and secure its ongoing operations and future growth. These Guidelines are designed to provide guidance and to advise donors about what kinds of gifts the Foundation will accept and what kinds of gifts may expose the Foundation to liabilities or carry overly burdensome restrictions.

CONDUCT TOWARDS DONORS

The Foundation encourages gifts through the generosity of donors to further its work as well as to meet the needs of donors. The Foundation strives to provide appropriate information to donors and their advisors, to meet the needs of donors without pressure or undue influence, and to maintain the highest ethical standards in all transactions.

RESTRICTIONS ON GIFTS

The Foundation will accept unrestricted gifts and gifts for particular purposes if such gifts are not inconsistent with the Foundation’s stated purposes and priorities. The Foundation will not accept gifts that it determines are too restrictive in purpose. Gifts that are too restrictive are gifts that are too difficult for the Foundation to administer and gifts that would be inconsistent with the Foundation’s purposes. The Board of Directors of the Foundation will make the final determination whether to accept or refuse a gift.

TYPES OF ASSETS ACCEPTED

The Foundation will consider the following criteria in the acceptance of a gift:

A. Cash. Cash is acceptable in any form.

B. Tangible Personal Property. Before accepting tangible personal property, the Foundation will determine if it is readily marketable and will not expose the Foundation to significant liabilities. All gifts of tangible personal property other than cash will be evaluated by the Foundation in light of the following criteria:

1. Will the property help the Foundation to fulfill its purposes?
2. Is the property marketable?
3. Are there any undue restrictions on the use, display, or sale of the property?
4. What are the carrying costs for the property?
5. Does the property comply with the Foundation’s formal policy and procedures?

C. Securities. The Foundation may accept both publicly traded securities and closely held securities.

1. *Publically-Traded Securities:* The Foundation shall sell any publically-traded securities unless holding the securities is deemed appropriate by the Foundation’s investment advisors. The Foundation shall determine, prior to accepting securities, whether the securities, in the hands of the Foundation, are in any way restricted as to sale. If there are any legal restrictions on sale, the Foundation will consult with appropriate legal counsel before accepting the gift.

2. *Closely-Held Securities:* The Foundation may accept closely-held securities if deemed acceptable after review by the Foundation.

D. Real Estate. Before accepting real estate, the Foundation will determine if it is readily marketable and will not expose the Foundation to significant liabilities. Prior to accepting a gift of real estate, the Foundation shall consider such factors as:

1. Sale costs and holding costs prior to sale,
2. Current and expected future value,
3. Encumbrances and title restrictions,
4. Liabilities, including potential environmental issues, and
5. Compliance with the Foundation's formal policy and procedures for accepting real estate.

E. Intangible Assets That Are Not Publicly Traded. These assets include stock, bonds, debentures, partnership interests, and LLC interests that are not publicly traded, as well as patents, copyrights, and other intangible assets. Gifts of intangible assets that are not publicly traded are acceptable provided that the Foundation shall not accept such assets that have an insignificant present value or could expose the Foundation to liabilities of significant carrying costs or negative tax consequences. The Foundation will evaluate intangible assets to determine if acceptance will comply with the Foundation's formal policy and procedures.

F. Life Insurance Policies. Life insurance policies are acceptable, provided that the Foundation is the owner and the irrevocable beneficiary of the policy, and the gift complies with the Foundation's formal policy and procedures.

G. Non-Standard Contributions. Non-standard contributions include:

1. Assets that are not reasonably expected to be used to satisfy or further the Foundation's exempt purpose (aside from the need for income or funds);
2. Assets for which there is no ready market to which the Foundation may go to liquidate the contribution; and
3. Assets whose value is highly speculative or difficult to ascertain.

Prior to accepting a non-standard contribution, the Foundation shall review the proposed gift and consider whether acceptance will comply with its formal policies and procedures.

H. Deferred Gifts. The Foundation may accept a designation as a remainder/income beneficiary of a trust if it is acceptable to the Foundation under its formal policy and procedures, including: designations made in charitable pledges, testamentary bequests, charitable remainder trusts, charitable lead trusts, individual retirement accounts, retirement plans, and remainder interests in real property.

ANONYMOUS GIFTS

The Foundation will not accept completely anonymous gifts. The donor's identity must be disclosed to the Chairman of the Foundation's Board of Directors, who shall endeavor to maintain the donor's anonymity (except upon a request from the Foundation's Board of Directors or as required by law).