

Program Guidelines

A complete description of the Giving Fund from National Christian Foundation



Introduction

This document, “National Christian Foundation Program Guidelines” (“Program Guidelines”), describes the donor-advised fund program of National Christian Charitable Foundation, Inc., d/b/a National Christian Foundation (hereinafter referred to as “NCF”). The Program Guidelines set forth policies and procedures for establishing a donor-advised fund (“NCF Giving Fund®” or “Fund(s)”) with NCF, and terms and provisions governing the administration of each Fund. The Program Guidelines are applicable to all Funds established and maintained with NCF, including (i) initial contributions to a Fund, (ii) any additions to a Fund by the original Giver(s) or other persons, and (iii) all income, profits, losses, and expenses allocated to each Fund.

All activities of NCF and all participation by Giver(s) in the donor-advised fund program of NCF are subject to these Program Guidelines, and NCF reserves the right to modify the donor-advised fund program and the Program Guidelines at any time.

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About National Christian Foundation

OUR MISSION

To enable followers of Christ to give wisely to advance His Kingdom

OUR VISION

To mobilize an unprecedented abundance of Kingdom resources to accomplish every good work

OUR CORE BELIEFS

- We believe that the entire Bible is the inspired and inerrant Word of God; the only infallible rule of faith and practice.
 - We believe that there is one God, eternally existing in three persons: Father, Son, and Holy Spirit.
 - We believe that Jesus Christ is the only begotten Son of God, conceived by the Holy Spirit, born of the Virgin Mary, and was true Man and is true God.
 - We believe that in this age, God manifests Himself through the Holy Spirit, who is a distinct personality, eternally coexistent with the Father and the Son, whose basic task is to convict sinners, regenerate those who believe, and empower believers to live godly lives and in every way glorify the Father and the Son through His indwelling presence.
 - We believe that man was created in the image of God, that he sinned and thereby incurred not only physical death, but also spiritual death which was eternal separation from God and is upon all men.
- We believe that the Lord Jesus Christ died for our sins according to the Scriptures, as a representative and substitutionary sacrifice, and that all who believe in Him are justified on the basis of His shed blood.
 - We believe that the Lord Jesus Christ was resurrected in body, ascended into Heaven, presently lives there for us as High Priest and Advocate, and that His personal, physical return to earth is imminent.
 - We believe that there will be a bodily resurrection of both the just and the unjust, the just to the everlasting blessedness of the saved and the unjust to the everlasting conscious suffering of the lost.



At its core, National Christian Foundation is about making more resources available to build God's Kingdom.

LEGAL STRUCTURE

NCF is a Georgia non-profit corporation and is recognized by the Internal Revenue Service as a tax-exempt public charity as defined in Sections 501(c)(3), 509(a)(1), and 170(b)(1)(A)(vi) of the Internal Revenue Code (the "IRC") and is eligible to receive tax-deductible charitable contributions under IRC Section 170(c). Contributions to NCF are irrevocable and nonrefundable and to the extent allowed by applicable federal and state law, are immediately deductible by the Giver as a charitable contribution.

NCF is organized and operated, and makes grants and distributions from its Funds, exclusively for religious, charitable, educational, literary, and/or scientific purposes ("exempt purposes"), as provided in the Articles of Incorporation and Bylaws of NCF, as amended from time-to-time. NCF has organized, controls, and directs certain "Supporting Organizations" (SO) as defined in section 509 (a) of the Internal Revenue Code of 1986 and may organize and control other such organizations in the future. These SOs may from time-to-time receive, hold, and liquidate non-cash assets received from certain Givers. Such contributions and the NCF Giving Funds to which they are allocated are also subject to these Program Guidelines.

A MEMBER OF ECFA

NCF is a member of The Evangelical Council on Financial Accountability (ECFA). Since its founding in 1979, ECFA has provided accreditation to the leading Christian non-profit organizations. ECFA's steadfast purpose is to enunciate, maintain, and manifest a code

Key advantages of the Giving Fund

The Giving Fund is a powerful vehicle for managing your giving. You can:

- Let your gifts grow while you prayerfully decide where they should go
- Give with true anonymity
- Make a gift online, 24/7
- Quit tracking countless gift receipts
- Deduct gifts this year, recommend grant distributions next year
- Make one gift and recommend grants to several organizations
- Keep track of your giving history online
- Achieve greater tax advantages than a private foundation

of financial accountability, ethics, and reporting that is consistent with enlightened and responsible Christian faith and practice. Acceptance for membership in the ECFA indicates that an organization is in full compliance with ECFA's Seven Standards of Responsible Stewardship. For more details see ECFA's website at www.ecfa.org.

Establishing an NCF Giving Fund

An NCF Giving Fund is defined as a donor-advised fund that is owned by NCF and allows Givers or authorized parties of the Giving Fund privileges to recommend grants to approved charitable organizations. We maintain investment pools with different allocations that are designed to match the intended duration and growth requirements of each Fund. An NCF Giving Fund may be established by completing an application online at www.nationalchristian.com (NCF's primary website) and delivering it, together with an initial irrevocable contribution, to NCF.

Givers to NCF may establish an NCF Giving Fund with each such Fund being a "Component Part" of NCF. Each Giver may recommend grants (distributions) to charitable organizations anywhere in the United States. NCF exercises complete dominion and control of all contributed s. The acceptance of contributions to, and grant recommendations from, a Giver's NCF Giving Fund are subject to NCF's approval and these Program Guidelines.

FOUNDATION OWNERSHIP

NCF is the absolute and unconditional owner of all assets in all NCF Giving Funds. All contributions to an NCF Giving Fund shall be irrevocable and non-refundable. NCF's Board of Directors shall have ultimate dominion and control over all funds held by NCF. Each NCF Giving Fund will be reflected on NCF's books and records as a separate identifiable NCF Giving Fund, and as a component part of NCF.

THE FUND AGREEMENT

The NCF Giving Fund Agreement between NCF and the Giver consists of the Giver's completed application and those documents made a part of the application by reference, including these Program Guidelines as amended from time-to-time.

NAMING YOUR NCF GIVING FUND

NCF allows you to name the donor-advised fund that is established with your donation. Unless you request anonymity for a specific grant, the Giving Fund name will appear with the letter that accompanies each grant check issued from your Giving Fund. Givers often name their Giving Fund for a charitable cause, a scripture reference, or their families. However, you are not limited to these for the purpose of naming your Giving Fund. Note: NCF Giving Fund names must begin with "The" and end with "Fund." NCF may choose to not accept a requested name for any reason and will contact the Giver to discuss alternative names, if necessary.

GIVING FUND ROLE DEFINITIONS

The following terms appear throughout the Program's materials in reference to important Giving Fund roles.

These roles are defined as follows:

- **Giver:** A Giver is the prior owner of assets that have been contributed to NCF in order to fund a Giving Fund. Givers may include individuals,



Whether you're passionate about more Christian education, more translations of the Bible, more discipleship, more clean water for the thirsty, or more care for orphans, National Christian Foundation can help you maximize the resources that God has entrusted to you.

corporations, private foundations, trusts, and other charitable organizations.

Givers who initially fund a Giving Fund have the privilege of naming the Giving Fund and recommending the initial investment allocation. These Givers may also nominate Advisors and Successor Advisors. Givers have online access to make contributions and recommend grant distributions.

- **Giving Fund Advisor:** An Advisor is an individual who has Giving Fund access assigned by the Giver. Advisors may have full online access. Financial and professional advisors, as well as family members, are often given this role to act on behalf of the Giver and may make grant recommendations, update information, or monitor activity.
- **Successor Advisor:** A Successor Advisor is an individual who is nominated in the Giving Fund succession plan to act as an Advisor when the current Giver or Advisor(s) are deceased or otherwise unable to act due to incapacity or disability. A Successor Advisor may not have Giving Fund access until NCF receives proof of death or incapacity. At that time, NCF will notify the Successor Advisor that their role has changed to Advisor and that they have full privileges for the Giving Fund.

- **Interested Party:** An Interested Party is an individual nominated by the Giver to be given access to Giving Fund Information. Access may be limited to read only.
- **Contributor:** Once the Giving Fund is established, additional Givers are allowed to make contributions to the Giving Fund. Contributors do not have access or privileges with respect to the Giving Fund, but they do receive tax benefits applicable to their donation.

NAMING FUND ADVISORS

When an NCF Giving Fund is established, the Giver establishing the NCF Giving Fund becomes an Advisor to that Fund, and may name another person or persons as additional Advisors to the Fund. An Advisor has the privilege of recommending grants from the Fund. If the Giver and his or her spouse are named Advisors to the Fund, the privilege of recommending grants applies to both the Giver and the spouse. Unless otherwise specified on the application, NCF will recognize recommendations from any single Advisor. If a group of individuals is contributing to the NCF Giving Fund, or if an organization has established the Fund, a committee may be designated to recommend grants from the Fund. In that case, NCF will look to the chairman of that committee for grant recommendations.

NAMING SUCCESSOR ADVISORS AND/OR BENEFICIARIES

The Giver may recommend Successor Advisors to, and charitable beneficiaries of, their NCF Giving Fund so that grants and distributions can continue to be made following the Giver's death or incapacity. The application initially completed by the Giver provides for: (1) the recommendation that the remaining assets in the Fund be divided into new Funds for the Successor Advisors (or Successor Advisors may be named to advise on the current Fund; (2) the recommendation of eligible tax-exempt organizations to receive all or a portion of the remaining balance in the Fund; (3) the

recommendation for all or a portion of the assets be transferred into and administered by an NCF Legacy Fund; or (4) any combination of (1), (2), or (3). The recommendations by the Giver may be changed at any time during the life and legal capacity of the Giver by delivery of a written notice of such change to NCF.

Any additional or Successor Advisors must be of legal age to enter into contracts. If a minor or legally incapacitated individual is named as the sole Successor Advisor, NCF may require the appointment of a legal guardian to act on behalf of such Successor Advisor, and all expenses incurred by NCF in such undertaking shall be paid from the Giver's NCF Giving Fund.

If the Giver recommends a charitable beneficiary to receive all or part of the Fund following the Giver's death, and that beneficiary is no longer in existence or eligible to receive a grant through NCF, NCF will make every effort to fund the recommended distribution to an eligible organization that supports similar purposes. If no Successor Advisors are recommended, or those recommended are not willing or able to assume the role of the Advisor to the Fund, or if no beneficiaries are recommended, or those recommended are not in existence or eligible to receive the recommended distribution, NCF's Board of Directors will assume the role of making the recommendations on the Fund.

If an NCF Giving Fund is opened and maintained jointly (as in husband and wife), upon the death of one Giver, the remaining Giver (spouse), will continue to have the right to recommend grants and designate Successor Advisors. Successors are not eligible to recommend on the Fund until after the death, incapacity, or other disqualification of all Givers named as Advisors to the Fund.

If the Giver dies or becomes incapacitated or cannot be located after NCF has conducted a reasonably diligent search, and if such Giver failed to notify NCF of a Successor Advisor or recommend charitable beneficiaries, or if a recommended Successor Advisor is deceased, incapacitated, or cannot be found after NCF has conducted a reasonably diligent search, then in any of such events, the Board of Directors of NCF shall be authorized to make distributions from

the Fund without seeking the advice of the Giver's representative, taking into consideration previous recommendations made by the Giver, the Giver's previous giving history, and/or his designees.

GENEROSITY CATALYST FUND

For Givers looking for a way to ignite the spirit of generosity in others, NCF offers the Generosity Catalyst Fund – a creative tool designed to spur on the generosity movement both around the corner and around the world. Givers can set aside a portion of their Giving Fund balance each year into the Generosity Catalyst Fund, which makes strategic investments in innovative projects and ministries that encourage others to give.

"...and God is able to
make all grace abound
to you, so that always
having all sufficiency
in everything, you may
have an abundance for
every good deed."

2 Corinthians 9:8, NASB

A Powerful Way to Multiply Your Impact

The Generosity Catalyst Fund provides Givers a tremendous leveraged giving opportunity. Givers' initial gifts into the Fund support the most cutting-edge generosity projects and resources that, in-turn, multiply the number of generous individuals and families.

Examples of Generosity Catalyst Fund projects include the production of compelling books and videos on generosity and stewardship, as well as funding for conferences and events that are growing leaders in the worldwide generosity movement.

Also, NCF offices across the country use the Generosity Catalyst Fund to support local ministries and projects that further the message of giving in their communities.

How it Works, and How Givers Can Support It

Throughout the year, a team of strategic advisors at NCF determines which projects to support based on the best opportunity to promote generosity ministry, whether it be a local, national, or international effort. (Grant requests are not accepted at this time.) Givers that would like to support the Generosity Catalyst Fund can do so during their Giving Fund application process or through a simple request on our website.

Accessing Catalyst Fund Resources and Updates

On our website blog, we share the latest news and information on how Generosity Catalyst Fund dollars are being used, and we regularly post offers for Givers to receive Generosity Catalyst Fund resources free via the web or mail.

Learn more at NationalChristian.com/catalyst.



Since our founding in 1982, National Christian Foundation has made over \$2.5 billion in grants to charities.

Contributions

National Christian Foundation engages Givers in our mission by their giving wisely to fund the Kingdom of Christ. NCF is one of the foremost leaders in the U.S. in receiving, managing, and liquidating “innovative gifts” – such as real estate, business interests, and other non-liquid assets. We are able to take in assets that other organizations do not have the expertise to accept, allowing us to involve thousands of individuals and families in creative, non-traditional gifting strategies.

INITIATING A CONTRIBUTION

NCF will accept contributions from individuals; for-profit corporations, partnerships, limited partnerships, and limited liability companies; non-profit entities (including supporting organizations and private foundations); donor-advised funds; trusts; and estates (individually referred to herein as “Giver” and collectively as “Givers”). The suggested minimum initial contribution is \$10,000. The Giver may transfer money or property from another charitable organization to NCF. For certain asset types (such as stocks, mutual funds, or non-liquid gifts), additional documentation is required to transfer the assets to NCF. Additional information and documentation is available online at NationalChristian.com/forms.

A contribution to a Fund may be initiated by any person making a charitable transfer of money or property to NCF. Once the assets arrive and all required paperwork has been received in good order, NCF will liquidate the assets and purchase investment pool

units in your NCF Giving Fund with the net proceeds. If NCF elects to accept the charitable transfer, the charitable transfer is complete at the time of NCF’s acceptance. When this occurs, the NCF Giving Fund is fully established and available to support 501(c)(3) public charities that are approved according to our Giving Guidelines.

ACCEPTANCE OF CONTRIBUTIONS

NCF, after it completes its due diligence, may accept or reject, in the exercise of its sole and absolute discretion, any contribution made to establish or add to an NCF Giving Fund, and NCF may not be required to accept any contribution to establish or add to any Fund. The Giver may not impose any “material restriction or condition” [within the meaning of Treasury Regulations Section 1.507-2 (a) (8)] with respect to transferred assets, or that otherwise prevents NCF from furthering or carrying out one or more of its exempt purposes.

CONTRIBUTION PROCESSING TIME FRAMES

Processing time varies for different asset types. NCF generally tries to liquidate contributed assets as soon as possible, after both the necessary documentation and the assets are received in good order. (Time frames for delivery of assets to NCF often depend on the firm holding the assets to be donated.) During certain peak periods like the end of the calendar year, contribution processing may take longer than normal to complete.

FORM AND TYPES OF CONTRIBUTIONS

Liquid Contributions

NCF accepts gifts of U.S. dollars via personal check, bank check, and money order. Cash contributions must be delivered to NCF by check or wire transfer. Checks should be made payable to “National Christian Foundation” and mailed to:

National Christian Foundation
11625 Rainwater Drive, Suite 500
Alpharetta, GA 30009

NCF is not responsible for any loss in value that may occur between the Giver’s transfer of any security gift and its subsequent liquidation. Documentation and the Giving Fund number must accompany all contributions and be in good order. Unidentified contributions will be placed into a holding account until the giver can be identified. If the contribution remains unidentified, it will be placed into the general fund for NCF.

Givers wishing to make a contribution to NCF by a wire transfer of funds should contact NCF or visit our website to receive the most current wire transfer instructions. Givers receive credit for each contribution on the day it is received.

Publicly-traded securities are any securities issued by business entities domesticated in the U.S. that have been registered with the United States Securities Exchange Commission, and are eligible to be publicly traded on a national exchange. Publicly-traded securities may be gifted via electronic transfer or in certificate form. Specific instructions and forms for gifting can be found on NCF’s website, www.nationalchristian.com.

It is the general policy of NCF to sell gifted securities received in good order the next business day after the shares are received in NCF’s brokerage account. Thinly traded, restricted, or illiquid securities may require special handling and must be pre-approved by NCF. Securities requiring special handling or the need for registration may take longer to liquidate. Legal fees and other expenses incurred in connection with the transfer may be charged to the proceeds of the sale.

Proceeds from the liquidation of the gifted securities, net of all trading costs, are transferred to the Giving Fund upon settlement.

Mutual Funds that are proprietary to certain brokerages may also be contributed to a Giving Fund. NCF requires the necessary documents to initiate these types of mutual fund gifts. Once NCF receives the appropriate authorization or paperwork and the shares in good order, the shares will be liquidated.

Non-Liquid Assets

NCF may also accept contributions of property other than cash or publicly-traded securities. NCF can accept many types of assets, including:

- Privately-held corporate stock
- Business interests (ownership in closely-held businesses, Limited Partnerships, Limited Liability Companies, or Sub-chapter S & C corporations)
- Restricted securities (publicly-traded securities that may have sale restrictions)
- Real property interests
- Tangible personal property
- Royalties or copyrights
- Life insurance (term, whole, universal, or variable)



Today, we help thousands of generous believers reach their highest potential in giving. The result? More impact for the Kingdom.

- Loan Notes (money owed to you through loan notes)
- Estate Gifts (proceeds from wills or trusts)
- Retirement Plans (401ks, IRAs, or pension plans)

NCF generally requests that a proposed gift of a non-liquid asset be contributed to one of several NCF founded supporting organizations of NCF, including, but not limited to, NCCF Support, Inc., National Christian Foundation Real Property, Inc., or NCF Charitable Trust. Each of these supporting organizations is a tax-exempt entity and is classified as a public charity by virtue of its status as a supporting organization to NCF. The acceptance, management, and ultimate liquidation of the non-liquid asset will be administered through the entity into which it is received.

Testamentary Gifts and Gifts from Trusts

The Giver may name his or her NCF Giving Fund as the beneficiary of a bequest of cash or securities, including mutual fund shares and qualified Individual Retirement Account (IRA) assets. NCF and the Fund may also be named as the beneficiary of a charitable remainder trust, charitable lead trust, revocable trust, charitable gift annuity, or life insurance policy. Undivided residuary or fractional interests in an estate, or other non-liquid assets, may be contributed to NCF for distribution to and through the Giving Fund, and NCF will typically direct such gifts to one or more of its supporting organizations for administration and distribution, ultimately, through the Fund.

In addition, when a Giver is consulting with his or her tax and legal advisor when setting up a testamentary gift or trust, NCF requests that the Giver please notify NCF of the testamentary plans and allow NCF to assist

Over the past three decades, we've become the nation's largest sponsor of donor-advised funds focused primarily on Christian givers. With our home office in Atlanta and affiliates across the country, we've assembled a team of over 200 of the brightest, most passionate experts in charitable giving.

in establishing a donor-advised fund to receive any testamentary assets bequeathed to the Giver's NCF Giving Fund. Testamentary documents should use NCF's full legal name: "National Christian Charitable Foundation, Inc."

Investment of Fund Assets

NCF maintains an investment environment that is intended to protect the value of Giving Funds while they are being held for future distribution. With that in mind, our investment philosophy focuses primarily on capital preservation.

Truly preserving capital means that we need to earn greater returns for longer-term funds in order to protect those funds against inflation. To advance that goal in each of our investment pools, we seek to achieve superior risk-adjusted returns that are appropriate for the anticipated holding period of the funds. The overwhelming majority of our liquid Giving Fund assets are held in the NCF Investment Pools. To view detailed information on each of the investment pools, please refer online to the posted "Investment Performance Reports" and "Investment Strategy Reports," both available on the NCF website.

How NCF Giving Fund Assets Are Invested

On the NCF Giving Fund Application, the Giver may recommend a pool for investment of the Fund assets. When the pool recommendation is approved, once contributions are in a liquid or transferable form, they are moved to the recommended investment pool after a contribution is deposited or liquidated by NCF. Upon investment, NCF begins to: (1) allocate to each NCF Giving Fund net investment income, gains, and losses, and (2) assess the annual administrative and operating cost-sharing schedule. All investments are governed by the NCF Investment Policy Statement.

Market Fluctuations

Market fluctuations may cause the value of assets held in an NCF Giving Fund to be worth more or less than the value of the original contribution to the Fund. The Giver should recommend a pool in keeping with the distribution objectives and time horizon the Giver has in mind. Funds held for immediate distribution should be invested in the Money Market Pool while those intended to be held for longer than seven years are appropriate for the Growth Pool. The intended time frame for which funds are being held is the primary reason for choosing one pool over another. The descriptions of the various pools provide guidance in that regard.

AVAILABLE INVESTMENT POOLS

NCF maintains five different investment pools for Giving Funds. The selection of pools is intended to accommodate anticipated holding periods for Giving Funds that may range from immediate distribution to very long term giving horizons. In addition to the summary descriptions that follow, please note that every quarter NCF publishes an Investment Performance Report that includes detailed current descriptions of the asset allocations of each pool. As noted earlier, such reports are available on the NCF web site. The five pools are as follows:

Pools Without Equity Exposure

The Money Market Pool seeks preservation of principal by maintaining a stable fund value, while

paying interest that is commensurate with institutional money market fund rates. NCF makes every effort in managing this pool to avoid all capital losses by restricting investments to highly liquid, short-term fixed income investments.

The Bond Pool is intended for NCF Giving Funds seeking income and modest capital appreciation with a distribution horizon of one to three years or more. The Bond Pool seeks steady income and relatively stable principal values by investing in a portfolio of investment grade bonds. The duration of this fund is relatively short as a way of minimizing principal fluctuations.

Longer-Term Pools With Equity Exposure

The Conservative Pool is intended for NCF Giving Funds with a distribution horizon of three or more years. In this pool, we seek both income and modest capital appreciation by investing in a diversified mix of asset classes that includes global equities, fixed income, commodities, and risk-reducing alternative investments. Of the three equity pools, the Conservative Pool has the lowest equity exposure and the highest exposure to fixed-income investments.

The Balanced Pool is intended for NCF Giving Funds with a distribution horizon of five or more years. In this pool, we seek income and capital appreciation that is appropriate for the intermediate-term time horizon. This pool also invests in a diversified mix of asset classes that includes global equities, fixed income, commodities, and risk-reducing alternative investments but with a heavier weighting to equities than in the Conservative Pool. The likely volatility of the Balanced Pool will usually be greater than the Conservative Pool but less than that of the Growth Pool.

The Growth Pool is intended for NCF Giving Funds with a distribution horizon of seven or more years. As the pool with the longest investment time horizon, this pool seeks long-term capital appreciation and has the heaviest weighting to equities. This pool

is nonetheless invested in a diversified mix of asset classes that includes global equities, fixed income, commodities, and risk-reducing alternative investments. Of the three equity pools, the Growth Pool is the most volatile with the greatest potential for capital appreciation and also the greatest risk of loss.

Investment Expenses

NCF deducts all investment-related expenses from the pool assets, including its own oversight expenses, along with third-party investment advisor charges, mutual fund expenses, custodial charges, and trading costs. All performance figures are reported net of any investment related expenses.

Investment Returns

Invested balances are expressed in units and are priced daily, reflected as a Net Asset Value (NAV). Dividends and capital gains are reinvested and are reflected as an increase in the NAV.

FUNDS HELD APART FROM THE NCF INVESTMENT POOLS

NCF accommodates both very small and very large Giving Funds in specialized ways. All Giving Funds may recommend an Investment Pool based upon the givers anticipated distribution horizon. For Giving Funds with balances in excess of \$300,000, a Giver may recommend that NCF retain a separate account manager for that Giving Fund subject to the provisions of NCF's Investment Policies and Procedures.

NCF has a relationship with a number of financial advisory firms who manage one or more distinct investment pools for their clients who open a Giving fund with NCF. These Giving funds will make an investment pool selection from these options when the Giving fund is opened.

Giving Guidelines

NCF's focus is to wisely increase charitable giving in the United States.

The following guidelines have been created to assist the giver with recommending grants from a Giving Fund. Grant recommendations are approved daily. These recommendations are approved or denied after the Distributions team reviews three major areas:

- (i) The charity's legal tax-exempt status as determined by the Internal Revenue Service (IRS).
- (ii) The charity's activities as compared to our mission statement.
- (iii) The purpose of the grant.

APPROVING THE LEGAL ENTITY

Due to IRS regulations regarding donor-advised funds, NCF will only give to the following organizations:

- 501(c)(3) Public Charities, Governments, and Certain Places of Worship
- Certain 501(c)(3) Private Operating or Conduit Foundations
- Certain 501(c)(4) Volunteer Fire Stations organized for Fire and Rescue activities only
- Certain qualifying Supporting Organizations

Additionally, each of these organizations must meet certain qualifications:

501(c)(3) Public Charities

Most charities are registered in GuideStar® as 501(c)(3) public charities. If not, we contact them to obtain a copy of the IRS Letter of Determination. We also

review the website for their mission statement, or request it from the charity.

Governments

We may give to "a State, a possession of the United States, or any political subdivision of any of the foregoing, or the United States or the District of Columbia." This includes schools, universities, Police Departments, etc.

Places of Worship

Websites are reviewed for a statement of beliefs, proof of service times, and location. If no website is found, we will request a bulletin or newsletter containing this information, as well as a copy of the statement of beliefs, etc.

Since 1982, our nationwide network of offices has accepted over \$4 billion in gifts from thousands of generous individuals and families.

501(c)(3) Private Operating Foundations

Private foundations are deemed to be “Operating” by review of Form 990 PF. The operating status must be clearly identified on this Form.

501(c)(3) Private “Conduit” Foundations

Conduit Foundations must distribute 100 percent of funds in the year received (or by the 15th day of the 3rd month after end of their fiscal year). After the charity’s latest Form 990 is received and reviewed, the charity’s representative must sign an agreement with NCF that all funds will be distributed by the end of the year.

501(c)(4) Volunteer Fire Stations

The research team will interview the head of the volunteer fire department to confirm the volunteer fire company’s primary purposes and activities.

Supporting Organizations

Supporting organizations must be recognized as Type I or Type II, or as Type III and functionally integrated. This requires a review by our legal team.

Bank Funds

NCF may only give to a bank fund established for charitable purposes, which has also received a 501(c)(3) tax-exempt status. The research team will call the bank and confirm that it is a tax-exempt fund.

Benevolence Organizations

NCF will give to a benevolence project only if it is a pre-approved, active project of the organization. The research team will confirm this information with the charity.

New Charities (not yet confirmed by IRS)

New charities must file IRS Form 1023 to become a federally-recognized 501(c)(3) public charity. If it is discovered that a charity has not yet received its letter of determination as an exempt 501(c)(3) public charity, the research team will contact you to request permission to reschedule the grant for review in 60 days.



With our innovative solutions that simplify the giving process and multiply the impact, you can do more for the Kingdom than you ever dreamed possible.

If the Letter of Determination is not received after 60 days, the research team will contact you to cancel the grant. A letter will also be sent to the charity requesting that they notify the research department once they receive their 501(c)(3) status. Once the proper documentation has been received, you will be notified, and will have the option to re-enter the grant recommendation.

Foreign Organizations

Contact our office for information on how to make grant recommendations to Foreign Organizations.

APPROVING THE CHARITY’S ACTIVITIES

The Internal Revenue Code identifies the circumstances under which a donor-advised fund may make grants without violating the Internal Revenue Code or jeopardizing its tax-exempt status. This section goes beyond those tax rules to identify which grants NCF may make without violating its mission. These guidelines ensure that all grants advance our stated mission.

The purpose of distributions is:

- To fund the Great Commission and fulfill the Great Commandment.
- To advance the teachings of the Gospel as understood in historical, Biblical, orthodox, creedal Christianity.
- To live out the Gospel directive to love our neighbor and live in right relationship with God and all His creation by, among other things, doing the following:
 - 1 Healing illness and injury.
 - 2 Providing food, clothing, shelter, and other necessities.
 - 3 Protecting from danger.
 - 4 Alleviating physical and mental suffering.
 - 5 Building beneficial social relationships.
 - 6 Increasing knowledge.
 - 7 Facilitating employment and creative endeavor.
 - 8 Caring for God's creation, including His creatures.
 - 9 Facilitating appreciation and enjoyment of all of creation, including the arts and sciences.

STEWARDSHIP REQUIRES BOUNDARIES

We intend to refrain, so far as reasonably possible, from making distributions to organizations that advance clear error on issues central to the Gospel or facilitate or produce evil or human suffering. The preferred candidate organization for distributions should be aligned with NCF both theologically and ethically.

We rely on our Givers for advice and believe that the donor-advised fund system is highly beneficial, but as the absolute owner of contributed funds, NCF bears the ultimate responsibility for their disbursement. We do not intend to force our convictions on others, but instead we strive to be good stewards of the financial resources given to us. We must consider Giver advice in the context of our highest responsibilities to honor God and honor the public commitment we have made, although we never decline Giver advice lightly.

If you have any questions or concerns about a charity you are considering, please contact us.

APPROVING THE PURPOSE OF THE GRANT

Impermissible grant purposes include, but are not limited to:

- Private benefit for any individual(s)
- Dues or membership fees
- Purchasing tickets to a benefit
- Purchasing goods at a charitable auction
- Funding a pre-existing, binding pledge which you are legally obligated to fulfill
- Lobbying, political contributions, or political campaigns

In any event, we reserve the right, in the exercise of our sole and absolute discretion, to approve or disapprove any recommendations for grants or distributions.

PRIVATE BENEFIT AND THE PENSION PROTECTION ACT OF 2006

Grant recommendations will be declined if the distribution entitles the Giver to receive a premium item or other benefit such as a book or admission to a banquet or golf tournament. However, we may approve a grant recommendation if the fair market value of any private benefit is paid for directly by the Giver to the organization. Exception: Grant recommendations to a college where the benefit includes seating at an athletic event of the college will be declined.

Please be aware that The Pension Protection Act of 2006 subjects a Giver or a Giver-related person to a 125 percent excise tax if a distribution is made from your Giving Fund which results in you "receiving, directly or indirectly, a more than incidental benefit as a result of such distribution." The 125 percent is applied to the value of the benefit. The right to purchase a benefit is not itself an impermissible benefit. However,

you should consider the risk of the 125 percent excise tax and seek your own legal counsel on this issue.

OTHER INSTANCES OF PRIVATE BENEFIT

Distributions may not be made for the benefit of Givers or other individuals. In addition, we will not serve as a conduit for distributions to, or for the benefit of, Givers or other individuals. Distributions to benevolence and educational institutions, or other distributions for the support of individuals, will only be made under the following circumstances:

The organization will use the grant to support the organization's pre-approved purpose to aid a particular individual. There are several charities that assist needy individuals. One such organization is Helping Hands Ministries, Inc. For more information, visit www.hhmin.org.

For scholarships that have been issued according to NCF's scholarship procedures, a committee approved by NCF must select grant recipients. The Giver and related persons may not control the committee by any



Every day, we help people grow closer together as a family as they grow more like God through giving and generosity.

majority, and the committee must be selected and select applicants pursuant to standards established in advance by our Board of Directors. Please contact us for more information.

To support a charity's pre-approved employment of a Giver or Giver-related person (for example, an employee of a mission organization or a pastor of a church). We will not make a distribution from a Giving Fund to an organization for payment of compensation or reimbursement of expenses to a Giver or Giver-related person that is not a pre-approved project of the organization.

GRANT RESEARCH AND PROCESSING TIME FRAMES

NCF will promptly address grant recommendations upon receipt that are in good order. On average, approved grant recommendations are reviewed and processed within two to three business days. During calendar and fiscal year-end peak activity, higher volumes may require more time to process. Guidelines for peak periods are posted on NCF's website each fall.

To ascertain the charitable status of a recommended organization or grant purpose, NCF must verify certain public information. We will make all reasonable efforts to contact each organization and obtain the information necessary to approve the grant recommendation. If we have recently granted to the organization, the time to research is significantly reduced. Givers may be contacted to clarify information submitted for the recommended organization to assist in the research process.

If the organization cannot be reached or does not supply the requested information within 10 business days, the grant recommendation will be denied and the Giver will be advised.

Grants

ROLE OF GIVER AND ADVISOR

A Giver may recommend that grants (“distributions”) be made from the Giver’s Fund to qualified U.S. tax exempt organizations classified as public charities, pursuant to Sections 501(c)(3) and 509(a)(1) of the I.R.C., to U.S. state or local governmental organizations qualified to receive charitable contributions, such as state colleges or universities, and to churches and religious organizations. In addition, NCF will not make any recommended grants to organizations whose tax-exempt purposes or activities are directly opposed to or antithetical to the Christian faith.

RECOMMENDATIONS, NOT GRANT CONTROL

Tax laws require that the Giver’s charitable gifts be irrevocable and unconditional in order for a Giver to receive the associated tax benefits of a charitable deduction. NCF will allow the Giver to recommend (advise), but not control, how assets in that Giver’s NCF Giving Fund are invested and distributed, with all such recommendations being subject to the approval of NCF. NCF, at its sole discretion, may approve grants to qualified organizations.

RECOMMENDING GRANTS

Grant recommendations may be made online at NCF’s website or via facsimile transmission or U.S. mail using the most current grant recommendation form located on our website. Online Grant recommendations do not incur a cost allocation. NCF may assess the Giving Fund a nominal cost allocation for each distribution made via fax, mail, or phone. Each recommendation

must include the following information:

- Name, address, phone number, contact person, and website (if applicable) of the organization being recommended for the grant
- Dollar amount of the proposed grant
- Specific recommendation, if any, for the grant (i.e. support for a particular project of the organization)
- Specification of whether the grant is to be made anonymously (Note: Unless anonymity is requested, the recipient will be advised of the Giver recommending the grant.)

ANONYMITY

If the Giver requests complete anonymity, no Fund or Giver information will be printed on the grant distribution letter. The letter will still specify the grant purpose and may contain optional additional comments.

APPROVING GRANTS

Your contribution to NCF is an irrevocable gift; therefore, all assets in a Giving Fund are the property of the Program. For NCF to maintain its good standing with the IRS, the program must ensure that all grants are issued for qualified charitable purposes. See the Giving Guidelines section for additional information.

NCF’s Board of Directors has the final authority over grant distributions. Under the direction of the Grant Review Committee, NCF’s research staff will complete the due diligence process. Upon receipt of a

recommendation, NCF's research staff, acting under the direction of NCF's Grant Review Committee, will complete the due diligence review process. If a grant recommendation is not able to be qualified or approved, NCF will notify the Giver and the Giver will be given the opportunity to revise the recommendation. NCF's Grant Review Committee is a group of officers and employees of NCF who are appointed by the Board of Directors of NCF to perform or supervise the due diligence review of each recommended grant and distribution.

Grant recommendations are nonbinding and will not be approved until NCF has verified the recipient organization's tax exempt status as defined by the Section

How to: Ensuring timely grants

- Start your grant recommendation planning submission well in advance of peak periods when high volumes require additional time to review and process recommendations. (Peak periods are year-end and the 1st and 15th of each month.)
- Do not add "Additional Comments" to the grant's purpose, as these require additional research and increase review and processing times.
- If you are recommending a grant to a new charity, include an accurate contact name, contact number, address, and Employer Identification Number (EIN).

501(c)(3) of the Internal Revenue Code, its status as a public charity as defined by Section 509(a)(1), and the grant purpose.

DISTRIBUTING GRANTS

Each grant recommendation is reviewed by NCF. The review process includes verification of the

organization's tax-exempt status and mission according to our Giving Guidelines, verification of the recommended use of the grant, and preparation of payment and transmittal letter. If the organization or grant purpose cannot be verified, the grant recommendation may be delayed or denied.

GRANT CONFIRMATION

The Giver will receive two emails after entering grant recommendations online. A Grant Recommendation Confirmation is sent as soon as the recommendation is entered, which includes the details of the recommendation. A Grant Distribution Confirmation is sent after the recommendation has been processed by NCF and the distribution has been approved to go to the specified organization. If the grant recommendation is not entered online, the Giver will only receive the Grant Distribution Confirmation.

DECLINED OR RECALLED GRANTS

NCF will decline grant recommendations for Impermissible Grants and for any other improper purposes. In the event NCF discovers that a previously made grant would constitute an Impermissible Grant, it may take remedial action to have the amount of any Impermissible Grant returned to NCF. In addition, NCF may require that (a) the Giver make an additional non-deductible contribution to NCF, or (b) the Giver indemnify NCF for any costs, fees, expenses, or damages incurred by NCF as the direct result of an Impermissible Grant made upon the recommendation of the Giver. NCF reserves the right to take appropriate legal action if it determines that grant funds have been used improperly.

MINIMUM GRANT AMOUNTS

The minimum grant recommendation is \$100. The Giver is not required to make a minimum number or amount of grants during the life of the Giver's NCF Giving Fund. If no grant amount is indicated on the recommendation, the Giver will be contacted to clarify the recommendation.

SCHEDULING GRANTS

You may recommend that grants be issued on a one-time basis or as recurring distributions. Annual, semiannual, quarterly, and monthly are permitted and you may recommend the start date and the number of recurring payments you would like to grant. Each grant recommendation is subject to verification of grantee eligibility. A grant that was approved in the past may be denied if eligibility rules, the organization's status, or legislation changes.

FUND BALANCE CONSIDERATIONS

Funds must be available to satisfy a grant recommendation prior to the recommended grant issue date. Pool net asset values vary. As a result, requests for grants that are close to the total available balance for a Fund may not be available on the desired transaction date. Unfunded recommendations will be rescheduled if a new contribution is pending. If no pending contribution exists and available balance is insufficient to satisfy the grant request, the recommendation will be cancelled. NCF will not issue grants for amounts greater than the available fund balance. The Giver will be contacted and may decide to revise the recommended grant request, cancel the grant request, or add additional contributions to the Giving Fund to satisfy the grant recommendation.

GRANT TRANSMITTAL LETTERS

The distribution is issued from NCF and is accompanied by a transmittal letter identifying the NCF Giving Fund that made the gift and at whose

recommendation the grant is being sent (if the Giver has requested anonymity, the transmittal letter does not reveal the Fund name or Giver name). Unless the gift is anonymous, the transmittal letter furnishes the recipient charity with the Giver's name and address, so that the charity can extend its thanks to the Giver for the gift recommendation; the charity is instructed, however, that their official tax receipt must be issued to NCF rather than the Giver, in order to protect the Giver from inadvertently claiming an additional deduction on monies previously contributed to and receipted by NCF.

UN-CASHED GRANT CHECKS

If NCF's records indicate that a charitable organization has not cashed or deposited its check within 90 days, NCF will investigate the outstanding check with the organization. We will then contact the Primary Giver to determine if the Giver's recommendation remains to gift to this organization. When appropriate, we will issue a stop-payment order on the check and forward a new check to the organization. If a request is made to replace an outstanding check prior to our review, it cannot be replaced until it has been outstanding for at least 30 days.

Administrative Allocations and Expenses

NCF'S GENERAL FUND

The General Fund of NCF is the Fund out of which general operating expenses are paid. A Giver may elect to recommend a grant to or make a direct contribution to the General Fund of NCF at any time to support the ministry work of the National organization or one of the local Affiliates. NCF has set forth the following administrative allocation schedule in order to fund the respective General Fund and allow for its operations and services, which include legal and accounting services, employee compensation, overhead for facilities, marketing expenses, and other ministry-related costs associated with operating a non-profit organization.

FOR FUND BALANCES UP TO \$5M

AMOUNT	ALLOCATION
First \$1,000,000	1.00 Percent
Next \$1,000,000	.85 Percent
Next \$1,000,000	.75 Percent
Next \$2,000,000	.50 Percent

FOR FUND BALANCES OVER \$5M

AMOUNT	ALLOCATION
First \$5,000,000	.72 Percent
Next \$5,000,000	.45 Percent
Balance	.35 Percent

OPERATING EXPENSES OF NCF

On a daily basis, NCF calculates 1/365th of the annual rate set forth below based upon daily fair market value of the Fund. The administration fee covers the cost of grant and contribution processing, verification of the charitable status of organizations, record keeping and reporting, and other donor services. The administrative fee is the greater of \$10.00/month or the amount calculated from the administrative allocation schedule and is assessed per giving fund.

ADMINISTRATIVE ALLOCATION SCHEDULE FOR NON-LIQUID GIFTS

Allocations for grant-support costs and expense reimbursements related to gifted non-liquid assets are set forth in the policies of NCF's supporting organizations that receive such gifts. NCF typically uses most of the sale proceeds of a gifted asset to make grants. It typically uses an average of 5 percent of the appraised value of the asset or of the net sale proceeds (whichever is greater), to support the ministry of NCF and all other activities that support grant making.

LEGACY FUNDS

An NCF Legacy Fund is an enhanced type of Giving Fund in which the Giver creates specific giving instructions for the Legacy Fund. Using the Legacy Fund application, the Giver will specify his giving instructions and establish a Legacy Advisory Committee to work alongside of NCF. NCF assumes greater responsibility to ensure the giving intent and grant

recommendations are carried out faithfully during their lifetime or after their death.

Notifying NCF as requested does not prevent the Giver from changing or eliminating the proposed testamentary gift during his or her lifetime. Additionally, if the Giver establishes an NCF Giving Fund solely for the purpose of receiving a testamentary gift, the normal immediate funding requirement of \$10,000 is waived.

NCF Legacy Funds are subject to the annual administrative allocation. Additionally, the Fund will be subject to an annual assessment to offset ongoing administrative costs of the Fund, with a minimum of \$10,000 per year. Upon receipt of a testamentary gift, up to a .90 percent initial assessment may be applied by NCF to cover all realized costs of estate settlement, distribution, and administration. NCF reserves the right to collect grant dollars sufficient to cover our costs if they exceed the .90 percent initial assessment.



Ultimately, everything we do is for God's glory.

TESTAMENTARY FUNDS

The Giver may name his or her NCF Giving Fund as the beneficiary of a bequest of cash or securities, including mutual fund shares and qualified Individual Retirement Account (IRA) assets. NCF and the Fund may also be named as the beneficiary of a charitable remainder trust, charitable lead trust, revocable trust, charitable gift annuity, or life insurance policy. Undivided residuary or fractional interests in an estate, or other non-liquid assets, may be contributed to NCF for distribution to and through the Giving Fund, and NCF will typically direct such gifts to one or more of its supporting organizations for administration and distribution, ultimately, through the Fund.

In addition, when a Giver is consulting with his or her tax and legal advisor when setting up a testamentary gift or trust, NCF requests that the Giver please notify NCF of the testamentary plans and allow NCF to assist in establishing a donor-advised fund to receive any testamentary assets bequeathed to the Giver's NCF Giving Fund. Testamentary documents should use NCF's full legal name:

"National Christian Charitable Foundation, Inc."

Please note: Notifying NCF as requested does not prevent the Giver from changing or eliminating the proposed testamentary gift during his or her lifetime. Additionally, if the Giver establishes an NCF Giving Fund solely for the purpose of receiving a testamentary gift, the normal immediate funding requirement of \$10,000 is waived. Testamentary gifts are subject to the annual administrative allocation. Upon receipt of a testamentary gift, up to a .90 percent initial assessment may be applied by NCF to cover all realized costs of estate settlement, distribution, and administration. NCF reserves the right to collect grant dollars sufficient to cover our costs if they exceed the .90 percent initial assessment.

GRANT COST ALLOCATION

NCF reserves the right to charge a nominal processing cost allocation in the rare instances where grant recommendations are problematic or if legal costs are incurred related to a grant distribution.

Receipts and Reporting

RECEIPTING FOR CONTRIBUTIONS

NCF will issue and transmit to each Giver a receipt for each eligible contribution to NCF. Receipts for cash contributions made by check will reflect the amount of the check, the date received, and will be issued to the account holder whose name is printed on the check used to make the contribution. When any person, other than the person who established the NCF Giving Fund, makes a contribution to such Fund, the person actually making the contribution will be issued a receipt.

Receipts issued by NCF and its supporting organizations for the contribution of marketable securities and non-liquid assets will provide a description of the asset contributed, but may not necessarily state or establish the contribution's value. It is the responsibility of the Giver to determine and substantiate the value of the contribution in accordance with the rules and regulations of the IRS; NCF will provide the Giver with information to assist the Giver in meeting IRS substantiation requirements.

NCF will provide the Giver with a receipt for each contribution to the NCF Giving Fund. The IRS requires that the Giver retain these receipts for substantiation purposes. For contributions less than \$250, the Giver's cancelled check will serve as the receipt. Givers may visit the Forms and Reports section of our website to print a contemporaneous written acknowledgement that NCF has exclusive legal control over the assets it receives.

NCF GIVING FUND REPORTING

NCF will provide the Giver with a quarterly Fund Statement which is available in both electronic and hard copy format. The statement reports all YTD Fund activity including: contributions to the Fund, grant activity from the Fund, and any earnings or losses. The Giver may access the NCF Giving Fund online at NCF's website, viewing Fund activity and balance, as well as making grant and investment recommendations. It is important to note that the statements provided to the Giver are for informational and tracking purposes only; the statements do not contain and are not formatted to provide the information required by the IRS regarding the Giver's contributions to NCF. The official receipts issued to the Giver by NCF are the documents the Giver needs and must retain for tax purposes. Each Fund and its assets are the property of NCF, and as such, the Fund activity is of no tax consequence to the Giver. A Giver's initial and subsequent contributions to NCF are the only items of tax consequence to the Giver related to maintaining a donor-advised fund.

FOUNDATION-WIDE REPORTING

NCF is audited annually by an independent national accounting firm and a copy of NCF's annual Independent Auditors' Report and Financial Statement is available upon request. A copy of our annual information return, the IRS Form 990, is also available in print format and on NCF's website.

Additional Information

PRIVACY

As expressed in NCF's Confidentiality and Privacy Policy, all non-public personal information of Givers is maintained in strict confidentiality and security. Information provided to NCF will be used only to service the funds, process transactions, respond to inquiries from Givers, and create new and improved levels of service for Givers. NCF holds itself to the highest standards of care in protecting the privacy and confidentiality of all Giver information. Information regarding Fund contributions, distributions, and investment activity will only be discussed with individuals receiving express written consent by the Giver.

DISCLAIMERS

Each individual's tax situation is unique and is likely to be impacted by specific facts and circumstances that are beyond NCF's control or knowledge. Additionally, tax laws and regulations change frequently, and their application to a particular taxpayer's circumstances can vary widely. We strongly encourage the Giver to

consult with his or her tax advisor. NCF disclaims any responsibility for the accuracy or adequacy of any position taken by Givers in their tax returns.

STATE AND FEDERAL INCOME TAX DEDUCTIONS

No Tax Advice Provided By Foundation

Each Giver who opens an NCF Giving Fund, with the expectation of receiving the benefit of deductions for purposes of state and federal income taxes, does so with the understanding that neither NCF, nor any of its directors, officers, employees, agents, or representatives, are engaged in (a) providing legal advice, accounting advice, or tax advice, (b) rendering legal opinions or tax opinions, or (c) other professional service. NCF recommends that each person planning to make a charitable contribution to NCF, or any other tax-exempt organization, seek legal, accounting, or tax advice, and/or other expert assistance from experienced and competent professionals, prior to making any such contribution.

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