

# Kalamazoo College

## *Charitable Gift Annuity Disclosure Statement*

The charitable gift annuity is a contract between you and Kalamazoo College in which the College, in return for an irrevocable transfer of cash or other property, agrees to pay a fixed sum of money for a period measured by one or two lives. There may be a maximum of two beneficiary annuitants.

With a gift annuity, you simultaneously make a charitable gift and provide guaranteed payments for life to yourself and/or another person. The fact that you are making a charitable gift may entitle you to income, gift and estate tax deductions.

However, because a charitable gift is involved, the annuity rates offered by Kalamazoo College are lower than those available through commercial annuities offered by insurance companies and other financial institutions.

The gift annuity payments you receive are a general obligation of Kalamazoo College and are backed by all of its assets. On June 30, 2005 the total invested funds of Kalamazoo College exceeded \$170,814,455. Our endowment and reserved funds are invested in a portfolio of stocks, bonds, money market funds, and federal obligations. All funds received for charitable gift annuities are held for the life of the annuity agreements in co-mingled, gift annuity reserve funds that are invested in accordance with the laws of the states in which the College offers and issues gift annuities. Assets received by Kalamazoo College for gift annuities are managed by TIAA-CREF Trust Company, a subsidiary of the Teachers Insurance and Annuity Association College Retirement Equities Fund (TIAA-CREF New York, NY).

Kalamazoo College was established in 1833. Responsibility for governing the College is vested in its Board of Trustees comprised of 36 persons who are selected by the Board for not more than six, three-year terms. The gift annuity program of the College is operated by the business and gift planning offices of the College under the Investment and Advancement Committees of this Board.

Common investment funds, such as the gift annuity reserve funds managed by the College, 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 disclosure is provided to you in accordance with the requirements of that Act.

As with all legal and financial matters, you are encouraged to consult with your own professional advisors as these matters apply in your situation.