



Community Investments Foundation

Business Interests Inquiry Form

Please complete this Business Interests Inquiry Form in conjunction with your proposed gift to Community Investments Foundation, a Florida charitable trust ("CIF") which is a supporting organization of the Foundation.

Following review of the asset information below, if the gift is accepted, a CIF Designated Fund Agreement must be completed. Further information about policies pertaining to gifts of business interests is contained in the publication *The Charitable Giving Guide* available from the Foundation and also available online at the Foundation's website: www.fftc.org.

The minimum value of a gift of business interests accepted by CIF is \$250,000.

Owner Name(s): _____

Address of Owner: _____

City: _____ State/Zip: _____

Phone: _____ Email: _____

Description of Asset: _____

Full Legal Name of Gifted Asset: _____

Percentage Ownership of Gift: _____ Estimated Value: _____

Is the Business Interest a voting interest or a non-voting interest ?

Is the Business Interest collateral for any debt or otherwise encumbered? yes no If yes, describe and discuss the issue with the gift acceptance officer: _____

Please note that any unrelated business income tax ("UBIT") incurred by the Foundation/CIF as a result of its ownership of the Business Interests must be paid from the Gift Fund holding the Business Interests, and, if the assets of the Gift Fund are insufficient to pay the same, UBIT must be paid by the donor.

Is it anticipated that the Foundation/CIF will incur any UBIT? yes no If yes, you should discuss the same with the gift acceptance officer.

Is there a deadline for completing this gift? yes no If yes, deadline date: _____

Are there any potential buyers of the gifted asset? yes no If yes, describe: _____

Is there a current binding obligation to sell this asset? yes no If yes, describe: _____

Please provide the following information in the space provided (or in an addendum if additional space is needed to address the issue comprehensively):

Name of the Business, Type of Entity and State of Formation: _____

Written Explanation of the Business, Industry and Prospects for Profitability: _____

Estimated Period for Disposition/Liquidation of the Contributed Interest: _____

Transfer restrictions, if any, including whether the interest is subject to a buy-back agreement at a set price or whether it must be first offered to a specific group at a set price before being offered on the open market, etc.: _____

Special Arrangements, if any, Regarding Possibility of Sale of Business (e.g., price considerations, investment management, potential interested purchasers, etc.): _____

Estimated and Projected Annual Cash Flow to the Foundation/CIF Fund: _____

Projected Timing of Distributions: _____

Donor's Adjusted Tax Basis for the Contributed Business Interest: _____

Outstanding Debt or Obligations of the Business: _____

Warrants, Restrictions, Convertible Debt, Capital Calls or Other Terms that May Affect Value of the Business: _____

Are you aware of any other information concerning the Business Interests which might affect the value of the Business Interests or the decision of the Foundation to accept the gift? If so, indicate below: _____

Please attach the following:

- Articles of Incorporation, Articles of Organization or Certificate of Limited Partnership.
- Buy-Sell Agreements, Bylaws, Shareholder Agreements, Operating Agreements, Partnership Agreement or other governance or operating documents to which the Foundation would be subject.
- Financial statements of the Business (audited, if available).
- Prior-Year Tax Returns to Identify Historical Accounting Income and Cash Flows.
- A schedule of the current owners and ownership interests.

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You should also note that prior to accepting the gift, the Foundation/CIF will require:

- A completed Designated Fund Agreement.
- Any completed Gift Fund Agreement identified in the Designated Fund Agreement.
- A Qualified Appraisal of the Business Interests complying with IRS regulations for the purpose of establishing the value of the gift for federal income tax purposes (made within 60 days before the date of the gift and not later than the due date of the tax return on which the deduction will be claimed).
- A draft assignment of the Business Interests to the newly created designated fund at Community Investments Foundation.
- If underlying Company owns real estate, a completed Real Property Inquiry Form may also be required.

Required Provisions in Entity Agreements: Please note that the governing documents must contain provisions addressing the following in order to protect the Foundation/CIF's ownership interest in the entity:

- Additional capital calls may not be required of CIF or the Foundation.
- The governing documents may not be amended in any way which may adversely affect the interests of CIF or the Foundation without its consent.

Use of Legal Counsel: The Foundation shall seek the advice of legal counsel in matters relating to the acceptance of gifts where appropriate. In addition, the Foundation recommends that donors retain separate counsel to represent their interests with respect to the gift of Business Interests. Review by counsel is recommended for the Foundation for:

- Review of assignments of Business Interests that are subject to restrictions or buy-sell agreements.
- Review of all gifts involving contracts, such as bargain sales or other documents requiring the Foundation to assume an obligation.
- Review of all transactions with potential conflict of interest that may invoke IRS sanctions (including any transaction to which a Board Member of the Foundation is a party).

Such other instances in which use of counsel is deemed appropriate by the gift acceptance officer.

Signature(s)

I (we) hereby confirm that the information set forth in this document is true and accurate to the best of my (our) knowledge.

Signature

Date

Signature

Date

Mail **original signed copy** to: Foundation For The Carolinas, 220 North Tryon Street, Charlotte, NC 28202