

# **Non-restrictive Stock Donation Guidelines and Stock Disposition Policy**

## **Introduction**

River of Life Christian Church (or “The Church”) is a non-profit evangelical organization. Therefore, any fundraising or offerings that are done must be regulated and are not to be done for the purpose of “money-profit making”. Any offering including non-restrictive stock donation must always be intended to financially benefit the church more than the giver. This document defines the non-restrictive stock donation guidelines and the Church stock disposition policy.

## **Guidelines for non- restrictive Stock Donation**

1. **Restrictive Stocks:** The Church encourages the stock donation from the congregation as well as from the friends or visitors of the Church. However, donating restrictive stocks is not recommended because the overhead in removing the restriction posts a very big burden and handling problem to the Church Finance Department. If you plan to donate your stocks, please make sure that those stocks are not restrictive or please remove the restriction before you donating them to the Church.
2. **Taxation advice:** The Church Financial Department or the Church office will not provide you with any TAX advice on the deductibility of your non-restrictive stock gift. These rules can be complicated depending on when and how you acquired the stock. Please consult your TAX advisor on the rules governing deductibility of your gift.
3. **Timing for making a non-restrictive stock donation:** The donor will be responsible for making his or her best judgment on when to donate the non-restrictive stocks or securities in order to save TAX or to make maximum contribution to the church.

## **To make a non-restrictive stock donation**

If you plan to donate your non-restrictive stocks to the Church, simply take following steps to complete the transaction:

1. **Transfer:** There are three ways of doing that.
  - Method 1. Securities held by you in your account at Charles Schwab\*: Go to your brokerage office and fill out a form to transfer the shares to River of Life Christian Church's account at Charles Schwab, Account # 7509-6601, DTC #0164, Code # 40.
  - Method 2. Securities held by your broker or bank other than Charles Schwab\*: Talk to your broker and provide River of Life Christian Church's account at Charles Schwab, Account # 7509-6601, DTC # 0164, Code # 40.
  - Method 3. Securities held by you: Please contact your broker or Charles Schwab's office to arrange for the transfer of your securities. The procedure is similar to the two methods stated above. To contact Charles Schwab's office, please call (800) 662-6068.
2. **Notification:** Right after the transfer, please fax a copy of the following information to Savina Kao, Director of Finance of ROLCC, at (408) 748-8877 including:

- 1) The company name and number of shares transferred and
- 2) Your name, address, and telephone number.

Please put 'confidential' on the cover page to ensure high level of confidentiality in processing your donation.

3. Confirmation: The Church is not an appraiser, and will not provide donors with a "value" for donated stocks or securities. In stead, the church Finance Department will provide a Stock/ Security Gift Receipt that acknowledges the date of contribution, the donor's name and address, the number of shares given, and the name of the company. Therefore, please request a receipt from Savina Kao immediately as a confirmation of your contribution. Savina will send you the receipt upon receiving the notice for completion of transaction from BOTH you and Charles Schwab. It will take approximate one week before you can receive the receipt from the church office.

Please DO NOT transfer stocks or securities to our old Salomon Smith Barney and Wyse Securities accounts. We have already closed these two accounts to minimize the church overhead in managing two additional accounts. Please call Savina Kao at (408) 260-0257 x 103 for assistance if you still have question or problem to complete the transaction.

### **Stock Disposition Policy**

The Executive Board of Directors of the Church decided and enforced the rule that all the non-restrictive stocks and securities the Church receives from the donors will be sold upon completion of the stock transfer WITHOUT exception. As soon as the transaction of stock transfer is completed, the local Charles Schwab agent will inform the Church Financial Department the incoming stock donation. Right after notifying by the Church Finance Department, the church authorized agent will access the Church stock account to sell your stocks or securities on the very same day or before the end of the next trading day just in case the transfer comes in late of the day.

Thank you for your generous contribution to the Church!