



DRAFT GIFT AGREEMENT BETWEEN

(NAME OF DONOR(S))

AND

**McMaster University
(The University)**

I. THE GIFT

(DONOR NAME(S)) have generously made a Gift of **(GIFT/PLEDGE \$X)** to McMaster University (hereinafter the "Gift"). This Gift/Pledge will be provided in the form of **(METHOD OF PAYMENT)** according to the following schedule:

II. PURPOSE

The purpose of the Gift is to establish **(NAME OF BURSARY)**. Pending the approval of The Undergraduate Council Awards Committee at McMaster University, the terms of reference for the bursary will be as follows:

(TERMS OF REFERENCE FOR BURSARY)

III. FURTHER TERMS

In addition to the foregoing, it is further agreed as follows:

- a) Through this generous Gift an Endowed Trust Fund (the "Fund") will be created subject to the terms of this Agreement.
- b) Subject to approval of the appropriate University body the Fund will be known as **(NAME OF BURSARY)** at McMaster University.
- c) The annual allocation from the Fund consistent with the policy objectives described in the *Expenditure Policy: General Trust Funds (Externally Restricted Endowments)*¹, as amended from time to time, will be made available by McMaster University to provide the funding for **(NAME OF BURSARY)** in accordance with the conditions specified by this Agreement and provided sufficient investment income is generated by the Fund. A disbursement will be made from the fund when adequate investment income has been

earned. Spending may be reduced or suspended in any given year to preserve donor capital.

- d) For gifts over \$100K use: The Vice-President of University Advancement at McMaster University will report on the status of the Fund to the Donor(s) and provide recipient information.
- e) For gifts less than \$100K use: A report on the status of the Fund and recipient information will be made available upon request.

IV. DONOR ACKNOWLEDGMENTS

- a) The University is responsible for the management of the Fund with the goal that the real capital value of the Fund will be maintained in perpetuity in accordance with the terms of this Agreement and the University *Statement of Investment Policies and Objectives-Investment Pool*².
- b) The Fund will be managed according to McMaster University's *Operational Policy and Procedures for Trust and Endowed Fund Management*³.
- c) The annual realized return on investments for Endowed Trust Funds is net of investment management fees and (currently) 1% trust fund administration fees.
- d) Both the Donor(s) and the University affirm that the Gift does not and shall not, in any way, compromise McMaster's Mission and Vision Statement, constrain academic freedom on campus, as described in McMaster's *Statement on Academic Freedom*⁴, contravene any policy of the University or reflect negatively on the University's public image.
- e) The focus of the academic priorities at McMaster University may shift over time, and it may become impossible, inadvisable or impracticable to apply the annual income from the Fund for the purpose set out above. If McMaster University is of the opinion that a revised purpose is appropriate, the University shall exercise its discretion, in consultation with the Donor(s) where possible, and use the annual income from the Fund to the best advantage of the University for other purposes consonant with the spirit and intent of the Donor's gift. In any event, the support provided by the Gift shall be clearly identified with the name of **(NAME OF DONOR(S) OR PERSON TO BE RECOGNIZED)**.

(NAME OF DONOR)

Date

Mary Williams
Vice-President, University Advancement
McMaster University

Date

Lorna Somers
Director of Development
McMaster University

Date

Donors who do not have access to the Internet may request copies of the McMaster policies referenced in this Agreement.

Policies are currently available online at the following web links:

¹ http://www.mcmaster.ca/policy/General/Financial/Expenditure_Policy_General_Trust_Funds-Externally_Restricted_Endowments-2011.pdf

² <http://www.mcmaster.ca/policy/General/Financial/InvestmentPool.pdf>

³ <http://www.mcmaster.ca/bms/policy/trust/opguide.pdf>

⁴ <http://www.mcmaster.ca/mufa/handbook/sps25.htm>