



## **GIFT ACCEPTANCE POLICY**

### **I. PURPOSE OF POLICY**

Global Action to End Smoking, Inc. (the “Organization”) encourages gifts from varied supporters who seek to accelerate our life saving mission. The purpose of this Policy is to ensure that the Organization is a responsible steward of such gifts and that such gifts are in the best interest of the Organization, and to prescribe procedures for the acceptance of charitable gifts by the Organization. This Policy will apply to all gifts received by the Organization for any of its activities.

### **II. AUTHORITY**

The Board of Directors of the Organization (the “Board”) retains the ultimate decision-making authority with respect to whether a gift should be accepted and the terms of the gift. The Board has delegated the authority for reviewing a gift for conformance with this Policy to the Gift Review Committee, which shall consist of the head of Development, the Chief Executive Officer, and the head of Legal. As indicated below, the Gift Review Committee may vary from the terms of this Policy on a case-by-case basis when it deems such variance to be in the Organization’s best interests. Any material questions of risk or conflict of interest shall be referred to the Audit & Risk Committee (the “Audit Committee”) and any proposed material variance from this Policy shall be referred to the Board.

### **III. USE OF ADVISORS**

The Gift Review Committee, the Audit Committee, or the Board may seek the assistance of legal counsel and/or other advisors in matters relating to the acceptance of gifts. It is the donor’s responsibility to retain the appropriate advisors to represent the donor’s interests.

### **IV. CONFLICT OF INTEREST**

Any gift to the Organization that may reasonably be perceived as creating a conflict of interest must be brought to the attention of the Audit Committee. Under no circumstances may a gift provide an improper financial or personal benefit to the donor, or to any employee, officer or director of the Organization.

### **V. PROHIBITED GIFTS**

The Organization reserves the right to refuse gifts in its discretion. Gifts containing restrictions that are inconsistent with or restrict the Organization’s ability to carry out the Organization’s charitable purposes will be refused. The Organization may not seek or accept any funding or other gifts from any entity in the tobacco or nonmedicinal nicotine industries.

## **VI. RESTRICTED GIFTS**

The Organization may accept gifts that are restricted for a specific program or purpose, provided that: (a) the specified program or purpose is consistent with the Organization's purposes and activities; (b) the restriction does not place an undue burden on the Organization's resources; (c) the restriction does not subject the Organization to adverse publicity; and (d) the restriction does not impede the ability of the Organization to acquire gifts from other sources.

## **VII. GIFTS OF CASH AND ASSETS**

### **A. Types of Gifts**

The Organization may accept the following types of gifts:

1. **Cash.** The Organization may accept gifts of cash, which may be in the form of checks, credit card payments, and other cash equivalents.

2. **Publicly-Traded Stock and Securities.** The Organization may accept gifts of publicly-traded stock and securities.

3. **Tangible Personal Property.** The Organization may accept gifts of tangible personal property on a case-by-case basis as determined by the Gift Review Committee. In general, if tangible personal property cannot be resold, the Organization will not accept gifts of such property.

4. **Gifts of Real Estate.** The Organization may accept gifts of real estate on a case-by-case basis as determined by the Board. In general, unless the proposed gift of real property can be sold quickly and without much risk to the Organization, the Organization will not accept gifts of such property. In determining whether to accept gifts of real property, the donor will be asked to disclose, and the Board will thoroughly review, information as to all potential benefits and risks associated with the proposed gift and evaluate (i) the value of the property, (ii) whether there are any financial, environmental, or other liabilities that would be assumed upon acceptance of the gift, (iii) the carrying costs associated with the property, (iv) whether the property could be easily sold, (v) whether the property is subject to any liens, easements, restrictions, or other limitations, and (vi) whether the proposed gift is a conveyance of a fee simple interest or is encumbered.

5. **Other Gifts.** The Organization may accept other types of gifts on a case-by-case basis as determined by the Board.

### **B. General Considerations**

The following non-exclusive list of factors will be considered in deciding whether or not to accept gifts of assets other than cash: (i) the expense involved in owning the asset; (ii) the

expense involved in selling the asset; (iii) staff and volunteer time required to manage or sell the asset; (iv) whether owning or selling the asset will expose the Organization to liability; and (v) the marketability of the asset and the cash flow it can be expected to generate.

**C. Disposition of Gifts**

Except to the extent otherwise agreed to with a donor, the Organization may dispose of any gift at any time in its sole discretion.

**VIII. MISCELLANEOUS PROVISIONS**

**A. Appraisals**

It is the responsibility of the donor to secure and cover the cost of an appraisal whenever an appraisal of a gift is required.

**B. Sale of Assets**

The Organization is responsible for filing Form 8282 with the Internal Revenue Service upon the sale or disposition of any asset to which Form 8282 applies that is sold or disposed of by the Organization within three (3) years after the date the property was received.

**C. Gift Agreements**

A gift agreement shall be required for all gifts and pledges of \$100,000 or more and may be required for gifts or pledges below that level.

**D. Gift Acknowledgement**

The Organization will acknowledge the receipt of all gifts in writing and in a manner which satisfies the substantiation requirements for the deduction of charitable gifts by individual and corporate donors as set forth in the Code.

**E. Cost Allocation**

Unless otherwise agreed by the parties, the donor and the Organization will each bear their respective costs associated with making or accepting any gift.

**IX. CHANGES TO POLICY**

The Board may amend this Policy from time to time.

*This Policy is effective as of February 8, 2024.*