



# THE BIRMINGHAM & MIDLAND INSTITUTE

9 Margaret Street  
Birmingham  
B3 3BS

*Charity No. 522852*

## **GIFTS TO THE INSTITUTE ACCEPTANCE POLICY**

### **1. Purpose of this policy**

This policy and its guidelines govern the acceptance of gifts by the Institute and provide guidance to prospective donors and their advisers when contemplating and/or making gifts to the Institute. The provisions of these policies shall apply to all gifts offered to and/or received by the Institute.

### **2. Use of advisers and enquiries of donors**

#### **2.1 The Institute**

The Trustees may seek legal or other advice in matters relating to the acceptance of gifts where they consider it appropriate to do so. Examples (which are not intended to be exhaustive) are:

- a. The offer of shares in private or public companies which might be subject to restrictions or which carry obligations or options for the holder.
- b. Any transaction governed by contracts or legal documents. This could include trusts naming the Institute as a trustee or any document obligating the trustee to take specific actions.
- c. Transactions with potential conflict of interest.

#### **2.2 Donors**

The Trustees are not responsible for the financial, tax or legal position of donors or of prospective donors in relation to their gifts. Donors or prospective donors must take such advice as they deem necessary and in no circumstances are they entitled to rely on guidance offered by the Trustees, whether written or verbal, which can only ever be generic in nature.

To comply with money laundering and related legislation as this might apply from time to time the Trustees might require donors and potential donors to provide reasonable proof of identity and, if necessary, furnish information as to the origin of the gift to be donated.

### **3. Restrictions on gifts**

Subject to the provisions in 2.2 above, the Institute will accept unrestricted gifts, and gifts for specific purposes, provided that such gifts are not inconsistent with its objects. The Institute will not accept gifts that are too restrictive in scope. Gifts that may be regarded as too restrictive are those that violate the terms of the governing document, gifts that are too difficult to administer or gifts that are for purposes outside the wider aims of the Institute. All final decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Trustees, although efforts will always be made to establish if the reasonable wishes of donors can be respected.

#### **4. Types of gifts and forms of gifts that are accepted**

The following gifts are or may be acceptable (depending on restrictions):

- a. Cash or equivalent
- b. Tangible personal property
- c. Shares
- d. Real estate (property and land)
- e. Bequests (see also Large Legacy Policy)
- f. Other gifts

The following criteria govern the acceptance of each type of gift:

#### **5. Cash or equivalent**

In order to comply with money laundering regulations, cash donations of over £50 will not be accepted. Cheques are accepted and should be made payable to 'The Birmingham & Midland Institute'. The Institute accepts payments by Credit Card and Direct Debit.

##### **5.2 Shares**

The Institute can accept both publicly traded securities and closely held securities.

Publicly traded securities: Marketable securities may be accepted subject to completion of the necessary transfer formalities and the payment of any Stamp Duty. As a general rule, all marketable securities will be sold upon receipt unless otherwise directed by the Trustees acting on the advice of their appointed investment advisers. In some cases marketable securities may be restricted by applicable securities laws; in such instance the final determination on the acceptance of the restricted securities will be made by the Trustees, acting on such advice as they deem to be necessary.

Closely held securities: Closely held securities, which include not only debt and equity positions in non-publicly traded companies but also interests in limited partnerships and limited liability companies, or other ownership forms, can be accepted subject to the approval of the Trustees. However, such gifts must be reviewed prior to acceptance to determine:

- a. There are no restrictions on the security that would prevent the Institute from ultimately converting those assets to cash.
- b. The security is marketable or likely to become marketable in due course (without imposing any undue costs, administrative or other burdens in the interim).
- c. The security will not generate any undesirable tax consequences for the Institute

If potential problems are identified on an initial review of the security, further review and advice from suitable outside professionals may be sought before making a final decision on acceptance of the gift. The Trustees (acting on any necessary advice) will make the final determination on the acceptance of closely held securities. In the normal course of events every effort will be made to sell non-marketable securities as quickly as possible, unless professional advice is to hold the security or to defer its sale.

##### **5.3 Tangible personal property**

Tangible personal property includes art, furniture, books, School memorabilia, coin and stamp collections, jewellery, vehicles and any other personal property item owned by a donor. It excludes property and land (see 5.4). Trustees will examine a potential gift of tangible personal property for the item's financial value, its potential use by the Institute, any associated ongoing risks or costs to the

Institute (e.g. insurance, manpower, etc) and, if the item will not be used or kept, whether the item could be sold quickly and converted into cash.

#### **5.4 Real estate (property and land)**

Gifts of real estate may include gifts of developed property or undeveloped land. Prior to acceptance of gifts of real estate the Institute shall require a structural survey or other similar review of the real estate to ensure that it offers no significant on-going financial or environmental risks or costs to the Trust. The cost of such survey or review will generally be an expense of the donor. Prior to acceptance of the real estate, the gift will have to be approved by the Trustees acting on such advice as they deem to be necessary. Some criteria for acceptance of the real estate (but not an exhaustive list) are as follows:

- a. Is the real estate useful for the purposes of the Institute?
- b. Is the real estate marketable?
- c. Are there any restrictions, reservations, easements or other limitations associated with the real estate?
- d. Are there on-going costs, which may include insurance, taxes and mortgages associated with the real estate?
- e. Does the structural survey show that the real estate is in a reasonable state of repair and likely to remain so prior to disposal?

The Trustees may accept a remainder interest in a personal residence, farm, or vacation property subject to the provisions above. The donor or other occupants may continue to occupy the property for the duration of the stated life. On the death of the donor, the Trustees may use the property or convert it to cash at their absolute discretion.

#### **5.5 Bequests**

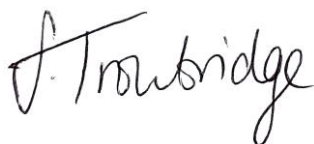
The Institute will accept bequests for the benefit of the Institute. The Institute asks donors wishing to leave a bequest to execute an appropriate Codicil or include in their Will. Large Legacies are covered by the Large Legacies Policy.

#### **5.6 Other gifts**

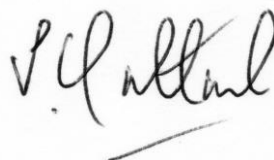
The acceptance of any other gifts not listed above would have to be discussed by the Trustees.

### **6. Gift acceptance decision making process**

Any offer of gifts should be notified to the Honorary Secretary, who will ensure that the Trustees are aware of the offer and it is discussed at a Board meeting. The final decision on the acceptance of gifts shall rest with the Trustees.



Dr Serena Trowbridge  
Vice President



Stephen Hartland  
Honorary Secretary

Approved by the Board of Governors: October 2022  
Next Review: October 2024