

The Willowbank Foundation

Giving & Grant-Making Guidelines

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1. INTRODUCTION

This document sets out the Giving & Grant-Making Guidelines (the “Guidelines”) of The Willowbank Foundation (hereinafter referred to as “Willowbank”). These Guidelines set forth policies and procedures for making grants to eligible grantees.

These Guidelines are applicable to all giving & grant-making activities of Willowbank and Willowbank reserves the right to modify these Guidelines at any time.

2. ABOUT THE WILLOWBANK FOUNDATION

A) OUR VISION

To promote and extend the Kingdom of our Lord Jesus Christ in any part of the world.

B) OUR MISSION

To steward, fund and engage in activities using the resources of Willowbank to any part of the world of any kind which promote and extend the Kingdom of our Lord Jesus Christ.

C) OUR METHOD

Willowbank seeks to achieve its charitable mission in accordance with Biblical Foundational Guidelines. Willowbank is a Bermuda charitable trust established by The Willowbank Foundation Act, 1961 (as amended). Willowbank is committed to assisting in the prevention of money laundering and terrorist financing by ensuring anti-money laundering policies, developed in accordance with the Proceeds of Crime Act 1997 (and related Bermuda Anti-Money Laundering/Anti-Terrorist Financing (“AML/ATF”) Legislation), are strictly adhered to. All donors, advisors and grantees are processed through a due diligence process in compliance with Bermuda AML/ATF Regulations.

D) OUR OBJECTIVES

1. Stewardship

- To prayerfully manage all of Willowbanks assets with the goal of fulfilling our Christian mission.
- To purchase, invest, sell and partner in projects to grow Willowbank assets, enhancing the potential of fulfilling its mission. (*II Cor.9:8*)
- To refuse investment opportunities inconsistent with Willowbanks core values or that hinder its mission. (*Matt.6:33*)
- To maintain annual contributions based on available assets to projects and programs fulfilling the Willowbanks mission. (*I Cor. 9:14*)
- To meet all financial and legal obligations in the proper exercise of fulfilling the duties of Willowbank. (*Rom.13:7-8*)

2. Funding

- To support, gift or endow projects, programs & organizations that are consistent with Willowbanks core beliefs and mission. (*I Cor.9:14*)
- Determining the annual amount of assets that should be contributed to kingdom building projects and programs. (*II Cor.9:5*)
- Report and account for all investment and benefit experienced by Willowbank distributions. (*Acts.14:27*)
- Meet all legal expectations for distributions made locally and internationally. (*Rom.13:7-8*)

3. Engaging In Activities

- To initiate, organize or facilitate programs that directly fulfill our mission, either as a sole trust venture or in partnership with other organizations. (*I Cor.10:31-33*)
- Utilize funds for Willowbank initiated activities that can be considered a viable use of Willowbank. (*I Thess.5:24*)
- To fulfill the mission of Willowbank on both a national and international level, ensuring the mission is evident both locally and abroad to others who share our mission. (*Acts. 1:8*)

3. GIVING GUIDELINES

These Giving & Grant-Making Guidelines have been created to assist with recommending grants from Willowbank that are aligned with and advance Willowbank's vision and mission. Willowbank intends to refrain from making distributions to organizations that advance clear error on issues central to the Gospel or facilitate or produce evil or human suffering.

A) TYPE OF GRANTS APPROVED BY WILLOWBANK

Grants that Willowbank may make without violating its stated mission would have the following purpose:

- To fund the Great Commandment and fulfill the Great Commission;
- To advance the Gospel of Jesus Christ; and
- To live out the Gospel directive to love our neighbor and live in a right relationship with God and all His creation by, among other things, doing the following:
 - Healing illness and injury;
 - Providing food, clothing, shelter, and other necessities;
 - Protecting from danger;
 - Alleviating physical and mental suffering;
 - Building beneficial social relationships;
 - Increasing knowledge;
 - Facilitating employment and creative endeavors;
 - Caring for God's creation, including His creatures;
 - Facilitating appreciation and enjoyment of all of creation, including the arts and sciences.

B) APPROVAL PROCESS OF GRANTS BY WILLOWBANK

Grant requests & recommendations are approved or denied upon review of four major areas:

1. Assessment of the grantee;
2. Comparison of the grantees activities to Willowbank's Mission Statement, Giving Guidelines and Statement of Faith;
3. The purpose of the grant; and
4. AML/ATF risk assessment and due diligence verification of the grantee.

Further details in regards to each of these areas can be found in C, D, E & F.

C) PROPOSED GRANTEE ASSESSMENT

Each grantee will be required to complete an application form for submission to Willowbank. The information provided is designed to:

- Understand the nature of the mission of the grantee;
- Allow evaluation of the purpose of the proposed grant request compared to Willowbanks Mission Statement, Giving Guidelines and Statement of Faith;
- Clarify the charitable status of the entity in accordance with the laws of the land in which they are based as well as meeting key criteria set by Willowbank.

Key information that Willowbank would seek to obtain from a grantee would be:

- Proof of registered charitable status in the land in which they are based;
- Website information;
- Confirmation that a grantee:
 - Operates exclusively for religious, charitable, educational, literary, and/or scientific purposes;
 - Does not permit private inurement;
 - Does not attempt to influence legislation, by propaganda or otherwise;
 - Does not participate or intervene, directly or indirectly, in any political campaign; and
 - Upon dissolution, will distribute only to another organization so limited, or for such purposes.

D) COMPARISON OF GRANTEE ACTIVITIES

Willowbank will compare the items listed in its Giving Guidelines to ensure that the activities of a grant will match one or more of those items listed. Willowbank intends to refrain, so far as reasonably possible, from making distributions to organizations that advance clear error on issues central to the Gospel or facilitate or produce evil or human suffering. The preferred candidate organization for distributions should be aligned with Willowbank both theologically and ethically.

E) PURPOSE OF THE GRANT

In addition to the items noted in C & D, the following are deemed to be impermissible grant purposes that include, but are not limited to:

- Private benefit for any individual(s);
- Dues or membership fees;
- Purchasing tickets to a benefit;
- Purchasing goods at a charitable auction;
- Funding a pre-existing, binding pledge which you are legally obligated to fulfill; and
- Lobbying, political contributions, or political campaigns.

F) ANTI-MONEY LAUNDERING/ANTI-TERRORIST FINANCING (“AML/ATF”) RISK ASSESSMENT

Willowbank applies a risk based approach to effectively “know its customers” as prescribed by the Proceeds of Crime Act 1997. The information gathered in the application form for each grantee will be reviewed and assessed a low, medium or high risk rating. As part of a risk-based approach, Willowbank will need to hold sufficient information about the identity, circumstances and activity of each grantee. The extent of additional information sought will depend on the money laundering or terrorist financing risk assessed. Key information that Willowbank may seek to obtain in addition to a completed application form would include:

- Constitutional documents (such as certificate of incorporation, bye-laws, trust deeds, D&O register, etc.)
- Identity documents for key individuals (such as passport, drivers license, etc.)
- Address documents for key individuals (such as utility bill, drivers license, bank statement, etc.)
- World Check verification on key decision makers

4. GRANT-MAKING GUIDELINES

A) GRANT REQUESTS & RECOMMENDATIONS

Grant requests and recommendations may be made via email or mail. Each recommendation must include the following information:

- Name, address, phone number, contact person, and website (if applicable) of the organization requesting the grant;
- Dollar amount of the proposed grant; and
- Specific purpose of the requested grant, if any (i.e. support for a particular project of the organization).

B) APPROVING GRANTS

For Willowbank to maintain its good standing with its purposes, it must ensure that all grants are issued for qualified charitable purposes. See the Giving Guidelines section for additional information.

Willowbanks Board of Trustees have the final authority over grant distributions. Upon receipt of a grant request or recommendation, Willowbank will complete the appropriate due diligence review process. If a grant request or recommendation is not able to be qualified or approved, Willowbank will notify the grantee.

Grant recommendations are non-binding and will not be approved until Willowbank has verified the recipient organization’s charitable status, grant purpose and AML/ATF assessment.

C) DECLINED OR RECALLED GRANTS

Willowbank will decline grant recommendations for impermissible grants (as defined in section 3 E) and for any other improper purposes. In the event Willowbank discovers that a previously made grant would constitute an impermissible grant, it may take remedial action to have the amount of any impermissible grant returned to Willowbank. Willowbank reserves the right to take appropriate legal action if it determines that grant funds have been used improperly.

Each grant recommendation is subject to verification of grantee eligibility. A grant that was approved in the past may be denied if eligibility rules, the organization's status, or legislation changes.

D) GRANT TRANSMITTAL LETTERS

Prior to any grant distribution being issued from Willowbank, notice will be sent to the grantee advising them of them of the grant to be made and asking for signed receipt noting their agreement with the terms of the distribution. Once this has been received by Willowbank, the grant will be distributed and be accompanied by a transmittal letter.

5. APPROVAL

The Giving & Grant-Making Guidelines, as set forth in this document was approved and adopted by the Board of Trustees of Willowbank at a meeting duly called and held on the 19h day of January, 2016.