PARKINSON'S FOUNDATION, INC.
Charitable Gift Annuity Program
Disclosure Statement

INTRODUCTION
The purpose of this Disclosure Statement is to provide you with helpful information about the structure and operation of the Parkinson's Foundation Charitable Gift Annuity Program. It should not be considered as tax advice to you. We encourage you to review with your own advisors how a gift annuity fits your own individual situation before completing your gift.

WHAT IS A CHARITABLE GIFT ANNUITY?
A gift annuity is a special way to make a gift to the Parkinson's Foundation. In exchange for your gift, the Parkinson's Foundation agrees to pay a life annuity (a fixed annual sum) to one or two individuals of your choice (including yourself). Your gift entitles you to federal (and possibly state) tax benefits as well.

THE GIFT ANNUITY CONTRACT
Legally, the Parkinson's Foundation charitable gift annuity is a contract between you (the donor) and Parkinson's Foundation, Inc. Under the contract, in return for your *irrevocable* gift of cash or marketable securities, (the value of which will be stated in the contract), the Parkinson's Foundation promises to pay the agreed upon annuity to the one or two individuals you designate as annuitants.

The contract will state that the annuity cannot be assigned to a third party. It will also state governing law. The contract may also contain a provision allowing the donor to revoke the annuity payable to a secondary beneficiary. This provision is for gift tax purposes and is explained under "Gift Tax Considerations" below.

IRREVOCABILITY OF GIFTS
All gifts made to establish a charitable gift annuity are irrevocable. Once made, they cannot be undone, and you will not have access to the assets contributed. The designation of the annuitant is also irrevocable, except that, as stated above, the interest of the survivor annuitant may be revoked.

ACCEPTABLE ASSETS
Two asset classes are acceptable for establishing a charitable gift annuity with Parkinson's Foundation:
1. Cash;
2. Publicly traded securities, which include stocks, bonds, or mutual fund shares.

On a case-by-case basis, we may consider other types of gifts to fund the charitable annuity. Please discuss with your Gift Officer and we will work with you to see what is possible.

MINIMUM AGE
The minimum age that annuitants may receive annuity distributions is fifty (50) years.

MINIMUM GIFT AMOUNT
The minimum gift amount to establish a Parkinson's Foundation charitable gift annuity is $10,000.

WHOM CAN I DESIGNATE TO RECEIVE ANNUITY PAYMENTS?
Any one or two individuals may be named as annuitants. Generally, an unmarried individual names him/herself as the sole annuitant. For married couples, both spouses are generally named as annuitants – either jointly or consecutively. You may also establish a gift to make payments to you for life and then to another individual (e.g., a friend, sibling, or parent). In fact, you need not name yourself as an annuitant at all. Your gift can be set up to provide payments exclusively to one or two other individuals.

PAYMENT RATES
The annuity rate is determined by the age(s) of the annuitant(s) at nearest birthday(s) at the time the gift is made. The older the annuitant(s), the higher the rate the Parkinson's Foundation uses rates suggested by the American Council on Gift Annuities.

Generally, payments are made in equal quarterly installments on March 31st, June 30th, September 30th and December 31st, with the first payment prorated according to the date of the gift. Annual and semi-annual payments can be arranged, though quarterly payments are preferred.

SECURITY OF PAYMENTS
The Parkinson's Foundation maintains funds received for charitable annuities in investment accounts professionally managed by Bank of America and under oversight of the Foundation's Investment Committee.

NOT A COMMERCIAL INVESTMENT
Parkinson's Foundation charitable gift annuity is not, and should not be viewed as, an investment. It is, rather, a way to make a charitable donation while receiving annuity payments. In this respect, Parkinson's Foundation gift annuity is different from a commercial annuity. The fact that Parkinson's Foundation gift annuity is a gift plan allows you, as donor, to claim a federal income tax charitable deduction.

INCOME TAX CHARITABLE DEDUCTION
You are entitled to an income tax deduction for a portion of the value of your gift. The size of the deduction is determined by the age(s) (at nearest birthday) of the annuitant(s) and an IRS rate, which changes monthly. The higher the applicable discount rate, the higher your deduction. You may elect to use the discount rate for either the month of your gift or either of the two months preceding the month you establish your annuity. You make this election in writing on your income tax return.

You will receive a personal proposal from the Parkinson's Foundation providing information on the income tax deduction to which you would be entitled for a gift you are considering. We strongly encourage you to review our calculations with your own financial/tax counsel. *Please note that these figures will vary very slightly from the actual date your gift annuity is established.*

TAXATION OF ANNUITY PAYMENTS
Another attractive tax benefit of a charitable gift annuity is that a substantial portion of the annuity received is tax-free for the duration of the life expectancy(ies) under IRS tables of the annuitant(s). Technically, this tax-free amount is considered a tax-free return of principal.

The tax-free portion of your annuity payment is the component of your gift deemed to be used for the purchase of your annuity. This is your total gift minus the deductible amount considered to be a gift to the Parkinson's Foundation. If the annuitant(s) pass away before receiving back this entire component of the gift, the unrecovered amount may be taken as a deduction on the final income tax return of the annuitant (one life) or survivor annuitant (two life).

ESTABLISHING A CHARITABLE GIFT ANNUITY WITH APPRECIATED SECURITIES
If you fund your charitable gift annuity with appreciated securities, your annuity will be based on the full fair market value of the securities. Assuming that you have owned your securities more than one year, your income tax deduction will be the same as it would be for a cash gift of the same value as your donated securities, except that the ceiling for deductibility is 30% of adjusted gross income rather than 50% (for cash gifts). In either case, there is a five (5) year carry over for any amount not deductible under the applicable ceiling.

Your gift also provides capital gains tax savings. You avoid reporting some, but not all, of the capital gain that would ordinarily be reportable if you were to sell your securities. An added benefit is that the reportable capital gain is prorated over your life-expectancy if you are the sole annuitant or the first annuitant, and over the joint life-expectancies of you and your spouse if you donate jointly held property to a joint/survivor annuity for the two of you. When capital gain is prorated as described above, it replaces, in effect, all or part of the annuity that would have been received as a tax-free return of principal had you used cash to fund your annuity.

It is important to note that if you are not one of the annuitants (your annuity is established for one or two others), your capital gain will be reportable immediately when you make your gift, rather than prorated over the life-expectancy(ies) of your annuitant(s).

GIFT TAX CONSIDERATIONS
There is no taxable gift from a gift tax standpoint if you establish a charitable gift annuity for yourself. If you establish a joint and survivor gift annuity for yourself and your spouse, your spouse's right to receive annuity

payments will qualify for the federal gift tax marital deduction.

If you establish a gift annuity to make payments to you for life and then to a second annuitant for life (whether or not your spouse), you will be deemed to be making a taxable gift to the successor annuitant. However, you can avoid making a completed gift for gift tax purposes by reserving the right exercisable by will to revoke his or her annuity. Typically, you will not exercise this right, and your second annuitant will receive his or her annuity as intended. However, just reserving the right avoids immediate gift tax implications. We, at Parkinson's Foundation, or your tax advisor, can provide further details on this point.

If you set up a charitable gift annuity just for your spouse, your annuity will qualify for the unlimited gift tax marital deduction. However, if you set up a gift annuity just for one or two individuals other than your spouse, you will be deemed to be making a gift to the other person(s) for federal gift tax purposes equal in amount to the value of his/her/their annuity (your entire gift minus the amount deductible for income tax purposes). You may wish to talk with your tax advisor about the possibility of claiming the currently allowed $11,000 annual exclusion with respect to the gift to the other individual(s).

ESTATE TAX IMPLICATIONS

If you set up a gift annuity for just your own life, the assets you use to establish the annuity will be removed from your estate for federal estate tax purposes. If you set up a joint and survivor annuity for yourself and your spouse, his or her right to receive survivorship annuity payments will qualify for the estate tax marital deduction. Likewise, if you set up an annuity that is to make payments to you for life and then to your spouse, his or her annuity will qualify for the estate tax marital deduction.

However, if you set up an annuity to make payments to you for life and then to a second beneficiary (other than your spouse) for life, the value of the second beneficiary's annuity will be included in your estate for federal estate tax purposes. We will be glad to review with you and your financial/tax advisors how a charitable gift annuity might work for you. We can also provide you with a prototype charitable gift annuity agreement and instructions for transferring cash or securities.

USES AND PURPOSES OF THE GIFT

An amount equal to the residuum of the gift will be used by the Parkinson's Foundation for general charitable purposes.

GOVERNING LAW & REGULATORY OVERSIGHT

The Charitable Gift Annuity Agreement will be governed by the laws of the State of Florida. The annuity is not issued by an insurance company, is subject only to limited regulation by the State of Florida and is not protected or otherwise guaranteed by any government agency.

Your gift is deemed completed when the Parkinson's Foundation receives the assets for your gift annuity. After an officer of the Parkinson's Foundation, Inc. executes your gift annuity agreement, you will receive two copies for your signature. Please sign both copies, keep one for yourself, and return one to Parkinson's Foundation for our records. Please keep your copy in a safe place.

If you have any questions about the Parkinson's Foundation Charitable Gift Annuity program, please call or write:

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