Kaspick & Company

Overview

About the Firm

A Summary

With approximately $4.2 billion under management, Kaspick & Company manages one of the largest portfolios of planned gifts in the country. Our firm is recognized nationally for the quality of its services and for bringing to planned gifts the sophisticated portfolio management strategies used today by leading endowments. Kaspick & Company's clients include many of the pre-eminent educational, medical, religious, and service organizations in the nation.

We work in partnership with our clients and their donors to provide the essential elements of a well-managed gift: sophisticated asset management, timely and accurate administration, and informative reporting. Our comprehensive services, expert staff, and innovative approach have set the standard for planned gift management and administration.

The Kaspick & Company investment team combines investment experience with expertise in planned giving to successfully manage gifts of all types, including charitable remainder trusts, lead trusts, pooled income funds, and gift annuities. The investment team develops for each trust a broadly diversified mix of assets designed to meet the trust's specific objectives. The team has a proven track record of producing competitive risk-adjusted returns.

Kaspick & Company provides expert administration services for planned gifts, including document review, payment processing, and tax preparation. The trust administration team has extensive knowledge of trust and tax law, and the practical experience necessary to meet the needs of each trust. Our administration services are personalized for each client and are closely coordinated with our investment activities. We also provide our clients and their donors with detailed reporting so they stay well-informed about their trusts.

We are available to meet with donors before they establish a trust, to facilitate their decision making. By discussing the likely effects of the gift choice on their payments and on the portfolio's expected growth, we help ensure the gift meets their expectations.

Founded in 1989, Kaspick & Company employs over 80 employees, with offices in Redwood Shores, CA, and Boston, MA.

Kaspick & Company is a member of the TIAA-CREF family of companies. TIAA-CREF, a national financial services organization with more than $435 billion in assets under management, is the leading provider of retirement services to individuals and institutions in the academic, research, medical, philanthropic, and cultural fields.

036

Investment Philosophy

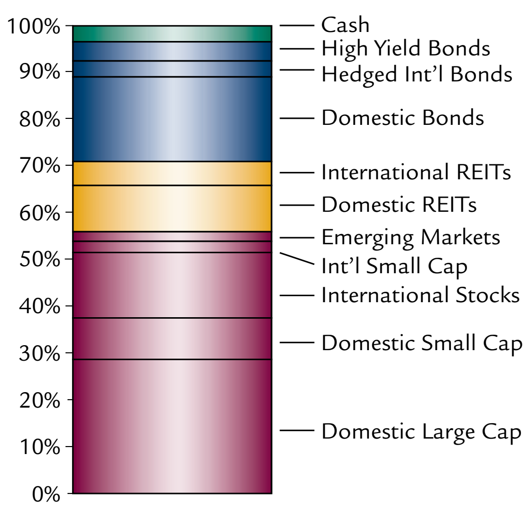
A Sophisticated Asset Management Approach

The Kaspick & Company investment team has extensive experience managing planned gift assets. We understand the unique demands of these portfolios and can accommodate trusts of all types.

We develop an asset allocation specific to each trust. In selecting the appropriate mix of stocks and bonds, we seek as much appreciation potential as possible, taking into account the risks, the beneficiary's situation, the trust type, and the payout rate. We consider the likely impact of the portfolio mix on the beneficiary's after-tax income and the trust's remainder value.

Our portfolios are diversified across asset classes and manager styles. This approach is expected to produce competitive long-term results and to protect portfolios in difficult economic environments. Below, we show the current asset allocation of a Growth portfolio.

After selecting a trust's target asset allocation, we invest it in a diversified portfolio of institutional quality, no-load mutual funds. Using mutual funds allows us to invest with the best managers and to diversify portfolios of all sizes. We research available funds and select those with strong performance records, experienced portfolio management teams, disciplined approaches, good corporate governance, and low fees. Within each asset class, we allocate assets to multiple funds with contrasting investment styles. We use both active and indexed strategies. Our large cap managers have a value tilt. A value approach should reduce downside risk and short-term gains, both of which negatively affect beneficiary payments.



We closely monitor the performance, portfolio holdings, and strategies of each fund. Portfolio decisions are made in consultation with the charity trustee. We meet regularly with the trustee to review investment strategies and policies.

We review each trust portfolio at least quarterly to ensure it is meeting its objectives. We understand the complex regulations surrounding planned gifts and implement our strategies to produce the best results for both the donor and the charity. Since inception, these strategies have generated returns that exceed market benchmarks, with lower volatility.

Trust assets are held at Charles Schwab & Co., Inc. Each trust is in a separate account. By using Schwab for custody services and trade execution, we minimize custody charges and reduce trading costs. We can produce for each trust, at any time, an independent, auditable statement of assets, as well as up-to-date market value and performance information.

Selected Biographies

Senior Management Team

J. Scott Kaspick
Managing Director, Founder, and Chairman Emeritus
Mr. Kaspick founded Kaspick & Company in 1989. From 1983 to 1989, he was Associate Treasurer of Stanford University and a member of the endowment management team. There, he developed the investment approach and systems for managing Stanford's then $150 million planned giving program. Mr. Kaspick has a BA in Economics from California State University and an MBA from Stanford University.

Abigail B. Mason
Director of Investments
Prior to joining Kaspick & Company in 1995, Ms. Mason was a Managing Director at Cambridge Associates, Inc., where for eight years she advised non-profits on the investment of their endowment assets. She is a Director of the Boston Lyric Opera and a Trustee of Norwich University, where she serves as Vice Chair of the Investment Committee. Ms. Mason has an AB in Economics and an MBA with distinction from Harvard University.

Samuel J. Salkin
Director of Gift Administration
Mr. Salkin has over 20 years of experience in both the business and non-profit worlds. He was chief executive officer of the Jewish Community Federation of San Francisco, Northern California's largest public charity. Mr. Salkin served as chief executive officer of Peet's Coffee & Tea and executive vice president of Smith & Hawken, Ltd. He has a BS and a Masters of Science from Cornell University.

Cynthia Boucher
Director of Information Technology
Ms. Boucher is an IT executive with over 25 years of experience leading technology teams through business process engineering, ERP, disaster recovery, applications architecture, e-commerce, and systems infrastructure transformation initiatives. In the role of CIO and IT Director, she has delivered comprehensive information solutions for financial services and technology companies including Montgomery Securities, Sega, National Semiconductor, and Rolm/Siemens.

Michael Kahn
Managing Director
Michael Kahn has 30 years of experience in financial services, with the past 11 years at TIAA-CREF. In addition to serving as Managing Director of Kaspick & Company, Mr. Kahn oversees the TIAA-CREF Institutional Trust business. Mr. Kahn played a principal role in TIAA's acquisition of Kaspick & Company in 2006, and since then has worked closely with Kaspick & Company staff in the integration of the firm into TIAA-CREF. Mr. Kahn received his BA from Grinnell College.

C. Alan Korthals
Director of Client Support
Prior to joining Kaspick & Company in 1997, Mr. Korthals served as Manager of Gift Services for The First Church of Christ, Scientist, where he was responsible for gift planning and the administration and investment of the planned giving program. Mr. Korthals has a BBA in Finance from the University of Texas at Austin, and graduated with high honors from the ABA's National Graduate Trust School.

Heidi Strassburger
Director of Tax, Legal, and Regulatory Affairs
Prior to joining Kaspick & Company, Ms. Strassburger served as Associate Director of Planned Giving at the University of California, San Francisco. She has also worked as an estate planning attorney, accountant, and Estate and Gift Tax Examiner for the Internal Revenue Service. She holds a BS in Business Administration from the University of Illinois, Champaign-Urbana, a JD from Northeastern University, and an LLM in Taxation from Golden Gate University.

Kathryn A. Uros
Senior Administrative Officer
Ms. Uros brings over 20 years of experience in treasury, planning, and management positions. Before joining Kaspick & Company, she was a Vice President with Charles Schwab & Co., Inc. where she managed the firm's short-term investment portfolio, bank relationships, and the implementation of a global money transfer product. Ms. Uros has a BA and MBA from California State University.

Kaspick & Company Clients

Charitable Organizations Nationwide

ACLU Foundation of Southern California
American Red Cross
The University of Arizona Foundation
Bowdoin College
University of California, Berkeley Foundation
The UCLA Foundation
California Institute of Technology
Cal Poly Corporation
Carleton College
The University of Chicago
Claremont McKenna College
Colgate University
University of Colorado Foundation
Community Foundation for Monterey County
Dartmouth College
University of Denver
DePauw University
The Episcopal Diocese of California
The First Church of Christ, Scientist
Genesis Ltd.
Georgetown University
Georgia Tech Foundation, Inc.
Gordon-Conwell Theological Seminary
Groton School
Gustavus Adolphus College
Hamilton College
Henry E. Huntington Library and Art Gallery
The Jewish Theological Seminary
Johns Hopkins Institutions
The Kansas University Endowment Association
Lucile Packard Foundation for Children's Health
Luther Seminary
Macalester College
Masonic Grand Lodge of California
Mayo Clinic
Middlebury College
Mills College
Minnesota Community Foundation
University of Minnesota Foundation
Minnesota Medical Foundation
The Nature Conservancy
Northern California Public Broadcasting
Northwestern University
Oberlin College
Occidental College
The Oregon Community Foundation
University of Oregon Foundation
Oregon State University Foundation
University of Pennsylvania
The Pennsylvania State University
Phillips Academy
Reed College
Rensselaer Polytechnic Institute
Rice University and Rice Trust Inc.
St. Olaf College
The Saint Paul Foundation
The Salvation Army, U.S.A. Western Territory
San Francisco Symphony
Santa Clara University
The Sierra Club Foundation
Silicon Valley Community Foundation
Southern Oregon University Foundation
Stanford University
The Trust for Public Land
Tufts University
Vassar College
Vesper Society
Virginia Tech Foundation
University of Washington
Washington State University Foundation
Whitman College
Whitworth Foundation
Willamette University

Kaspick & Company

A member of the TIAA-CREF family of companies

203 Redwood Shores Parkway, Suite 300
Redwood Shores, CA 94065-6121
Tel: 650 · 585 · 4100
Fax: 650 · 595 · 1400

30 Federal Street, 6th Floor
Boston, MA 02110-2508
Tel: 617 · 357 · 0575
Fax: 617 · 357 · 0576

Web Site: www.kaspick.com
E-Mail: inquiries@kaspick.com

INVESTMENT PERFORMANCE

Benchmark Comparisons and Performance Detail

How to Read the Charts

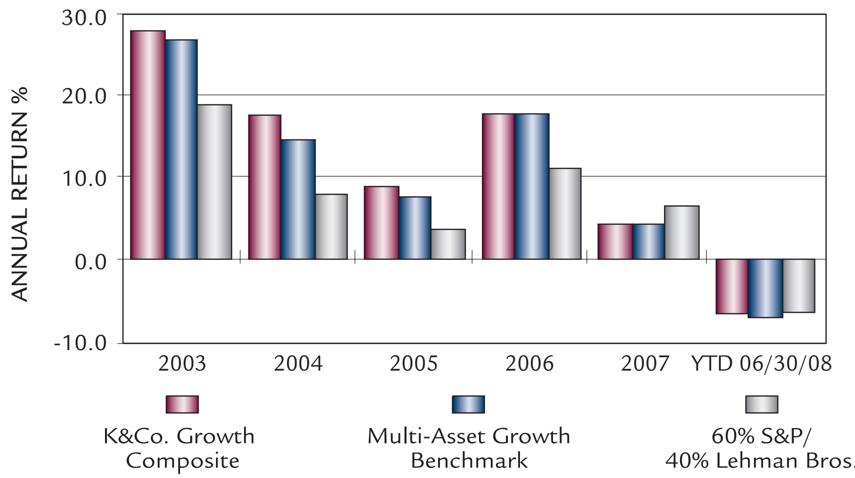
The top chart shows the annual returns of Kaspick & Company and benchmarks for each calendar year since 2003.

The next chart shows the average annual compound returns and the risk of Kaspick & Company's performance and the benchmarks for the five years ending June 30, 2008. The annual standard deviation of performance is used as the measure of risk.

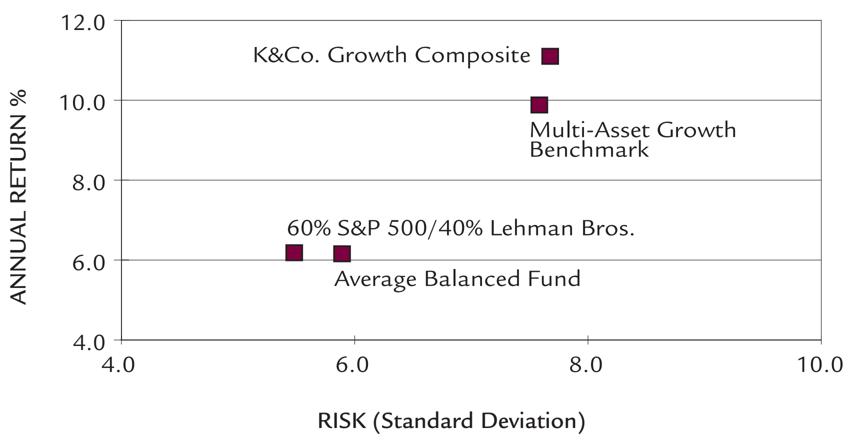
The table at the bottom provides performance detail, including quarter, one, five, and 10-year average annual compound returns, as well as the standard deviation of the 10-year returns. Also shown is the performance of the average balanced fund, as reported by Morningstar, Inc.

Please see the reverse side for comments and required disclosure.

Kaspick & Company Compared to Benchmarks
Annual Returns



Kaspick & Company Compared to Benchmarks
Five Years Ending June 30, 2008



Performance Detail for Periods Ending June 30, 2008

	YTD	1 Year	5 Years	10 Years	10-Year Standard Deviation
Kaspick & Company Growth Composite (Net)	-6.7%	-7.6%	11.1%	7.7%	9.1%
Multi-Asset Growth Benchmark	-7.1	-7.6	9.9	6.3	9.4
60% S&P 500/40% LB Inter. Gov't./Credit	-6.6	-5.1	6.1	4.3	8.7
Morningstar Average Balanced Fund	-6.9	-6.1	6.1	3.7	8.5

Growth composite returns are net of investment advisory fees and mutual fund expense ratios.
Performance data for periods greater than one year are annualized.
Standard deviation measures the distribution of returns around the average return; it is annualized based on monthly returns.

INVESTMENT PERFORMANCE

Comments and Required Disclosure

Comments

Over the last five and 10 years, Kaspick & Company's Growth allocation has exceeded the multi-asset benchmark with comparable risk. The Growth allocation has beat the benchmark over more recent periods.

Our portfolios are well diversified, holding large and small cap domestic stocks, international and emerging markets stocks, and REITs. Portfolio diversification is a prudent way to reduce risk and lessen the volatility of payments over time. Over the trailing five years, diversified portfolios have significantly outperformed traditional, undiversified mixes. Over the trailing 10 years, however, results are closer, reflecting the fact that different asset classes trade leadership over time.

Required Disclosure

The Kaspick & Company Growth allocation composite returns represent actual results of portfolios fully invested according to the objective during the period, and not holding any non-standard assets. Portfolios in the composite had no significant cash flows (contributions or withdrawals greater than 10% of market value in any month), and had a market value of at least $50,000 at the time of their initial inclusion. The returns presented are time-weighted total returns (income plus capital appreciation) including all cash reserves and equivalents. At the end of the most recent period, there were 2,143 portfolios in the composite. The composite calculations have been weighted for the size of each account. The returns are net of mutual fund expense ratios and Kaspick & Company investment advisory fees.

The multi-asset benchmark performance result is calculated using the market index returns of the asset classes used in Kaspick & Company Growth portfolios, each weighted by its long-term strategic target, rebalanced monthly. The indexes used in the benchmark and their strategic targets are found in the table. A traditional domestic stock/bond benchmark consisting of 60% S&P 500 and 40% Lehman Brothers Intermediate Gov't./Credit is also shown. The average balanced fund result is reported by Morningstar, Inc. Standard deviation figures are annualized, based on monthly observations. Past performance is not necessarily indicative of future performance.

Growth Multi-Asset Benchmark Composition

Market Index	%
S&P 500	28.5
Russell 2000	9.0
MSCI EAFE	14.0
MSCI EAFE Small Cap	2.5
MSCI Emerging Markets	2.0
FTSE NAREIT Equity REITs	10.0
S&P/Citi BMI World Property ex U.S.	5.0
LB Inter. Gov't./Credit Bond	25.5
Citi 1-Month CD	3.5
Total	100.0

Kaspick & Company

A member of the TIAA-CREF family of companies

203 Redwood Shores Parkway, Suite 300
Redwood Shores, CA 94065-6121
Tel: 650 · 585 · 4100
Fax: 650 · 595 · 1400

30 Federal Street, 6th Floor
Boston, MA 02110-2508
Tel: 617 · 357 · 0575
Fax: 617 · 357 · 0576