

## JOINT VENTURE POLICY

WHEREAS, the Directors have determined that it would be in the best interest of the Corporation to establish a policy on certain joint ventures,

THEREFORE BE IT RESOLVED, that the following Joint Venture Policy be, and hereby is, adopted as the policy of the Corporation until amended or repealed in accordance with applicable law:

This Joint Venture Policy of Jewish Jumpstart (hereafter “the Corporation”) requires that the Corporation evaluate its participation in joint venture arrangements under Federal tax law and take steps to safeguard the Corporation’s exempt status with respect to such arrangements. It applies to any joint ownership or contractual arrangement through which there is an agreement to jointly undertake a specific business enterprise, investment, or exempt-purpose activity as further defined in this policy.

1. **Joint ventures or similar arrangements with taxable entities.** For purposes of this policy, a joint venture or similar arrangement (or a “venture or arrangement”) means any joint ownership or contractual arrangement through which there is an agreement to jointly undertake a specific business enterprise, investment, or exempt-purpose activity without regard to: (1) whether the Corporation controls the venture or arrangement; (2) the legal structure of the venture or arrangement; or (3) whether the venture or arrangement is taxed as a partnership or as an association or corporation for federal income tax purposes. A venture or arrangement is disregarded if it meets both of the following conditions:
  - a. 95% or more of the venture’s or arrangement’s income for its tax year ending within the Corporation’s tax year is excluded from unrelated business income taxation [including but not limited to: (i) dividends, interest, and annuities; (ii) royalties; (iii) rent from real property and incidental related personal property except to the extent of debt-financing; and (iv) gains or losses from the sale of property]; and
  - b. the primary purpose of the Corporation’s contribution to, or investment or participation in, the venture or arrangement is the production of income or appreciation of property.
2. **Safeguards to ensure exempt status protection.** The Corporation will: (a) negotiate in its transactions and arrangements with other members of the venture or arrangement such terms and safeguards adequate to ensure that the Corporation’s exempt status is protected; and (b) take steps to safeguard the Corporation’s exempt status with respect to the venture or arrangement. Some examples of safeguards include:
  - a. Control over the venture or arrangement sufficient to ensure that it furthers the exempt purpose of the organization;
  - b. Requirements that the venture or arrangement give priority to the Corporation’s tax-exempt purposes over maximization of profit for the participants in the venture or arrangement;
  - c. A prohibition on activities by the venture or arrangement that would jeopardize the Corporation’s tax-exempt status; and

- d. Requirements that all contracts with the Corporation's partner or partners in the venture or arrangement be negotiated on terms that are at arm's length or more favorable to the Corporation.

Where there is any question as to whether a particular Joint Venture may pose a risk to the Corporation's tax-exempt status, a decision to enter into such Joint Venture will be made only in consultation with legal and/or tax counsel.