

**Indiana University Foundation
Related Party Transactions
For the Year June 30, 2016**

INVESTMENTS

All Indiana University Foundation (IUF) investment decisions are made according to the asset allocation guidelines set forth in IUF's Investment Policy. The investment policy is approved at least annually by the Investment Committee of the IUF Board of Directors (Board). Investment managers are chosen after an extensive due diligence process involving staff, the Investment Committee, and the IUF's external investment consultant, Cambridge Associates. The IUF utilizes over 175 investment managers for its investment portfolio. From time to time, the IUF may be a parallel investor with a member of the IUF Board in a specific investment vehicle. The IUF takes the utmost care to ensure that any director with a real or perceived conflict of interest regarding any investment decision will be recused from the discussion and any related voting regarding that decision.

Donors who make charitable gifts of investment vehicles may use personal investment accounts at brokerage firms which employ IUF directors. In addition, in seeking the best possible service at market rates, the IUF may wish to use brokerage firms with expertise in specific investment transactions. Occasionally, such a brokerage firm happens to employ an IUF director. For example, the IUF has an account with an Indianapolis office of Merrill Lynch which is maintained in order to receive and process gifts of securities. This particular office employs an IUF director.

All transactions and accounts are at arm's length and market rates.

Director, Company or Fund	Financial Tie with the IUF
Jane Martin General Partner Village Ventures (a General Partner in Spring Mill Venture Fund)	Spring Mill Venture Fund has total committed capital of \$14.4M of which the IUF Investment Committee has authorized a \$2.0M commitment. This commitment was made prior to Ms. Martin's election to the IUF Board.
Richard C. Searles General Manager Merrill Lynch	For the year ended June 30, 2016, the IUF processed \$7.10M of investment trades with this office and paid \$18,700 in commissions and fees. Of that total, \$7,480 was paid to the Indianapolis office with the remainder going to the Merrill Lynch parent company.

BANKING & FINANCE

The IUF uses the banking services of several institutions with an Indiana presence and seeks relationships with institutions in cities in which IU maintains a campus. The IUF uses an external bid process when soliciting these banking relationships and periodically reviews its current financial holdings to determine which financial institution offers the best rates and service. There were no related party banking and finance transactions for the period ending June 30, 2016.

LEGAL SERVICES

The IUF uses the legal services of several firms for a variety of purposes and the firms are chosen based on their specialized services and skills. The IUF does not use the services of an individual director when engaging a law firm.

All transactions and accounts are at arm's length and market rates.

Director, Firm	Financial Tie with the IUF
Harry L. Gonso Partner	The legal fees paid to Ice Miller were \$21,500 for the year ended June 30, 2016.
Lacy M. Johnson Partner Ice Miller, LLP	

The total legal fees paid to all law firms were \$85,380 for the year ended June 30, 2016.

The IUF has benefitted from the many relationships its directors have established or will establish with other companies and organizations. While the IUF has entered into certain related party transactions, all are at arm's length and market terms. All such transactions have been entered into only after each affected director has made full disclosure of the relevant facts and in strict compliance with the IUF's Conflict of Interest Policy and Code of Ethics Policy.