



The Iwamoto North America
Foundation for Go

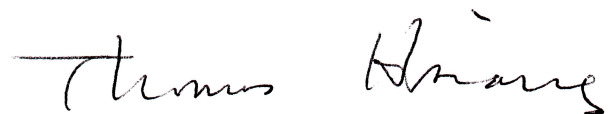
1st INAF Board Meeting Minutes

Date: Oct.24, 2014 10:00 to 12:30
Place: Nihon Ki-in, 7th floor conference room
Attendees: Andrew Okun, Thomas Hsiang, David Weimer (by Skype)
Norio Wada, Hiroshi Yamashiro, Shusuke Masaki, Yasunari Ito (secretary), Tom Urasoe
(Interpreter)

The meeting was called at 10:00 AM by Mr. Wada.

1. Minutes of the Preparatory Meeting on August 9, 2014 were passed unanimously.
2. Mr. Masaki reported on the formation of INAF Board. Following recommendations by the Nihon Kiin Board and the AGA Board, the following Directors were appointed.
 - Mr. Norio Wada, ex officio, President of Nihon Kiin
 - Mr. Andrew Okun, ex officio, President of the American Go Association
 - Mr. Yasunari Masaki (four years)
 - Mr. Hiroshi Yamashiro (two years)
 - Mr. Thomas Hsiang (two years)
 - Mr. David Weimer (four years)The Board appointed Mr. Wada as the President of INAF, in accordance with the By-Laws.
The Board elected Mr. Hsiang as the Executive Director of INAF.
The Board elected Mr. Yasunari Ito as Secretary, Ms. Terri Schurter as treasurer.
3. Mr. Manji Iwamoto (son of the late Kaoru Iwamoto) was nominated as an honorary member. The resolution to elect was unanimously passed.
4. Mr. Hsiang reported on the financial management plan for the INAF funds, *as attached to these Minutes*. The ensuing discussions modified several aspects of the plan, the modifications have been included in the attachment.
 - ① Three accounts are to be set up for the INAF funds. The principal funds will be deposited with an investment firm (the “investment account”); a second account (the “spending account”) will be established that draws cash from the investment account according to a preset formula and disperses according to the INAF outstanding obligations and grant awards; a third account will be established for the Nihon Kiin, with funds earmarked for INAF tax liabilities.
 - ② The spending plan designated \$40,000, \$60,000, and \$80,000 for the first three years. After the third year, spending will be 4.5% of the INAF net asset averaged over the prior years, up to five years.
 - ③ The investment account will be established with Credit Suisse, the spending account will be established with the Bank of America. Future continuation will be reviewed regularly.
 - ④ It was emphasized that because of the status of Nihon Kiin as a public corporation under the auspices of the Japanese Cabinet Office, the investment portfolio should not include any risky

- investments. Specifically excluded are hedge funds and private equity funds.
- ⑤ The treasurer shall maintain the record of spending. The Executive Director or the President may authorize up to \$3,000 in payments. The Executive Director and the President must both authorize payments over \$3,000. All grant awards must be approved by the whole Board.
- ⑥ The Executive Director is responsible for annual tax reports and fund performance reviews. At the end of each quarter, the Executive Director will make a financial report to the Board.
5. Mr. Masaki reported on the status of the proceeds from the sale of the New York Go Center. The sale price was US\$4.1M. After deducting tax, commission, legal fees, and previous maintenance bills, the net donation to INAF will be in the range of US\$2.0 to 2.5M. The Nihon Kiin wishes to keep a portion of the funds for potential tax liability (see item 4.2 above). It was agreed that the confirmed first donation is US\$2.0M, subject to approval of the Nihon Kiin Board of Directors. At some point in 2015, we will review the status of the Nihon Kiin reserve account. If there appears to be no further tax liability, the remaining funds will be donated to INAF as well. (*Note added post meeting: the Nihon Kiin Board approved this donation during its November 25, 2015 Board Meeting*).
6. Mr. Masaki and Mr. Hsiang reported on the status of the preparation for incorporation.
- Registration of INAF is complete. We now have an EIN number.
 - Foundation will use a virtual office. For mailing purposes, the address is:
1444 East Avenue
Rochester, New York 14610 USA
 - Bank accounts will be established with Bank of America in New Jersey and Credit Suisse in Los Angeles.
 - Website registration is done at www.INAF-GO.org. A web master is being hired.
 - *INAF logo has been designed and attached to these Minutes.*
7. Mr. Weimer updated us on the status of pre-RFP for the US East Coast Go Center. *A new version is attached to these Minutes.* (*Note added post-meeting: the pre-RFP is now posted on INAF and AGA websites*).
8. Mr. Masaki suggested that we write a press release in anticipation of the Nihon Kiin Board decision on the INAF donation. This was agreed upon. A collective effort went into the writing and *the press release is attached to these Minutes.*
9. Mr. Wada proposed that the second board meeting be held in June, 2015 in Bangkok, during the WAGC tournament and the IGF Board Meeting. This was unanimously agreed upon.
10. Adjourn.





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Financial Management Plan *(October 18, 2014)*


1. Objective: This financial plan lays out the guidelines for the investment, disbursement, book-keeping, and tax-reporting protocols for INAF.
2. Authority: The INAF Board of Directors has the fiduciary authority and responsibility for all financial matters for the Foundation. At the Board's discretion, details of this Plan may be modified from time to time.
3. Accounts: INAF shall maintain three accounts: one with the designated financial management firm (the investment account), the second with an international bank convenient to the Treasurer (the spending account), a third with the Nihon Kiin. Funds in the investment account are to be fully invested, see item 4 below. Each quarter, the Executive Director shall request the investment manager to transfer an amount to the spending account, according to the INAF spending plans. Surpluses or deficits in the spending account shall be reported to the Board, along with recommendations for their disposal. The Board exclusively has the authority to make this decision. Funds in the Nihon Kiin account are for the purpose of paying remaining tax liabilities.
4. Investment: INAF shall contract an external financial firm to manage its funds. The investment objectives are, in order, preservation of capital, maintenance of a steady draw, and growth. The Los Angeles branch of the Credit Suisse Global Banking Group is designated for this purpose. Monthly statements are sent to the Executive Director, with digests available to all Directors on a secure web location. Semiannual reports will be posted in their entirety. Periodically the Executive Director shall review the performance of the investment firm with the Board.
5. Spending: The spending guideline is as follows, based on fiscal years that start every October 1:

2014-15	\$40,000
2015-16	\$60,000
2016-17	\$80,000
Afterwards	4.5% of the previous averages of up to five years

6. Treasurer: A treasurer is appointed by the Board to handle all fund disbursement. Ms. Terri Schurter will take the position. Checks or wiring transfers up to \$3,000 may be requested by the President or the Executive Director; amounts beyond \$3,000 must be approved by both President and Executive Director; all

grants must be approved by the entire Board. The treasurer is responsible for keeping electronic receipts for all expenses.

7. Tax returns: Annual tax returns for INAF will be done by the Executive Director, who may from time to time hire an external account for assistance.

A handwritten signature in black ink, appearing to read "Thomas Adams". The signature is written in a cursive style with a horizontal line extending to the left from the start of the first name.



The Iwamoto North America
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**East Coast Go Center:
Announcement of Intended Request for Proposals**

The Iwamoto North American Foundation for Go (INAF) seeks to promote Go in the United States through subsidizing the creation of a Go center on the east coast. The INAF seeks proposals from interested parties for the establishment of a center that would help promote Go in the center's local area, serve as a resource for east coast go activities, and contribute to a more vibrant Go community nationally.

Funding

The INAF is prepared to make a multi-year commitment of a subsidy of approximately \$50,000 per year to support the establishment of the center. Additional start-up funds may also be made available. The INAF expects the center to have a plan for reduced reliance on the INAF subsidy following its establishment.

Proposal Elements

A successful proposal will include at least the following elements:

1. A clear description of the proposed center.

Where would it be located? How accessible is the location to local players and visitors? When would it be open? How would it be staffed?

2. A narrative explaining how the center would promote Go at the local, regional, and national levels.

What would be the routine activities sponsored by the center? What levels of participation in these activities are anticipated? What outreach would be done to make the general public more aware of Go? How would the center increase participation in Go by special groups, such as youth and members of expatriate communities? What special events would the center facilitate? How would the center contribute to the promotion of Go in the eastern United States? What would the center do to maximize the benefits to the Go community of visits by professional and strong amateur player from Japan, Korea, and China?

3. Demonstrated support for the proposal from AGA chapters and other organizations.

Do all the nearby AGA chapters support the proposal? Are chapter members enthusiastic about supporting the proposed activities of the center? Will they be willing to volunteer to help the center achieve its goals? Will they be willing to join the center if it operates on a subscription basis? What efforts will be made to involve all nearby AGA chapters, other Go organizations, and groups interested in promoting awareness of Asian cultures?

4. A plan for the establishment of non-profit status.

What steps will be taken to establish a non-profit entity for receiving and disbursing funds?

5. A proposed board of directors.

Which individuals are willing to take responsibility for prudently using INAF funds and working to make the center a success for the Go community?

6. A budget outlining the costs and revenues anticipated during the first three to five years of center operations.

How will funds be used? Is any amount budgeted for a facility realistic? Is any amount budgeted for staff realistic?

7. A plan for gradually reducing the center's reliance on the INAF subsidy after the end of the initial award.

What revenues would be generated to offset costs once the center is operational?

8. A discussion of any creative ideas to increase the chance of success of the center.

Timeline

The INAF anticipates issuing a formal request for proposals in July 2015 with proposals due in November 2015 and an award made in January 2016.

Those interested in preparing a proposal are invited discuss their ideas and plans with Thomas Hsiang, Andrew Okun, or Dave Weimer.

News Release for November 25, 2014

'Nihon Kiin Donates \$2M to the Iwamoto North America Foundation for Go'

Today the Chairman of Nihon Kiin, Mr. Wada Norio, announced that a donation of \$2M will be made immediately to serve as the seed fund for the Iwamoto North America Foundation for Go (*INAF*).

INAF was founded to support the promotion of Go in North America according to the vision and wishes of the later Japanese Go master, Iwamoto Kaoru. The funds will be used to sponsor an American East Coast Go Center and to support other activities such as teaching programs and cultural exchanges. INAF will seek proposals for these activities. For details, please watch for updates on the official INAF website.

The INAF executive board members are:

Norio Wada, President
Thomas Hsiang, Executive Director
Andy Okun, Director
Masaki Shusuke, Director
David Weimer, Director
Yamashiro Hiroshi, Director

Official Website:

www.INAF-Go.org