



March 7, 2008

Caryn Beck-Dudley
Dean, College of Business
Florida State University
P.O. Box 3061110
Tallahassee, FL 32306-1110

David Rasmussen
Dean, College of Social Sciences
Florida State University
160 Bellamy Building
Tallahassee, FL 32306-2160

Dear Caryn and David:

It is a pleasure to inform you that BB&T will make a \$1,500,000 contribution to Florida State University. The contribution will be payable over 10 years in annual installments of \$150,000 beginning August 1, 2008. The intent of the contribution is to encourage a thorough discussion of the moral foundations of capitalism.

There is overwhelming evidence that capitalism produces a higher economic standard of living. However, capitalism is perceived to be either amoral or immoral. How can an immoral economic system produce a better outcome? We believe that there needs to be a deeper understanding of the morality of capitalism and its causal relationship to economic well being. We also believe that there is a fundamental integration between economic and political freedom.

In our opinion Ayn Rand's philosophy, Objectivism, provides the best moral defense of capitalism as is particularly reflected in her classical philosophical novel, Atlas Shrugged. We are interested in Rand's philosophy having a fair hearing in the academic community.

It is very important to us that any program we support meets the highest academic standards and encourages students to hear all points of view. Frankly, we are confident that, when given a fair hearing, capitalism will prevail.

Unfortunately, we find that many graduates from business schools, while understanding the "technology" of business, do not have a clear grasp on the moral principles underlying free markets.

This contribution will be used to create the BB&T Program of Free Enterprise. The program will accomplish the following:

200 West Second Street
P.O. Box 1250
Winston-Salem, NC 27102-1250
(336) 733-2275
Fax (336) 733-2279

John A. Allison
Chairman and
Chief Executive Officer

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- The Department of Economics will create a new course on **Morals and Ethics in Economic Systems**. The work of Ayn Rand will be among the required readings for this course. Initially the course will be offered to 108 students each term, and eventually increase to as many as 500 students. The college of Social Sciences will also offer this course in an online format in the near future.
- The Department of Finance would add additional readings and course content in **free markets, self-interest and individualism** to its current required coursework.
- A working paper series will be created featuring the work of Economics and Business faculty addressing free enterprise issues.
- The BB&T Program of Free Enterprise Distinguished Speaker Series will be created, whereby two speakers a year will be invited to the Florida State University campus. The presentations would focus on the Core Values of the Free Enterprise System and the Moral and Ethical Foundations of Capitalism. These lectures will be publicized throughout the community and will be free and open to the public. They will also be podcast to the College of Business online MBA students. The Ayn Rand Institute will be consulted for the list of the recommended speakers on the moral foundations of capitalism.
- A Web site will be created and will focus on the principles of free enterprise; it will also feature and highlight the Speaker Series with the inclusion of podcasts of previous speeches.
- Every undergraduate student in the College of Business and all graduate students in Finance and Economics will receive a copy of Atlas Shrugged. The Program will oversee the distribution. There will be several discussion groups set up to facilitate the exploration of the book's themes.
- Two program professorships will be awarded to faculty, one in Finance and one in Economics. These faculty members will play key roles in developing and promoting the free-enterprise curriculum in the classroom.
- Because of the importance of the program, the program will be initially co-directed by the Department Head of Economics, and the Department Head of Finance, the directors will also be responsible for the Speaker Series and the general administration for the program.
- The BB&T Program of Free Enterprise Graduate Fellows will be established. These fellowships will support doctoral fellows in Finance and Economics each year. Fellows will assist in leading the discussion series on Atlas Shrugged, assist in the teaching of the undergraduate Financial Institutions and Investments courses and serve as teaching assistants for the **Morals and Ethics in Economic Systems** class.
- The program would sponsor and support the Students in Free Enterprise student club.

The \$150,000 annual contribution will be used to support the program and for example could be used in the following manner:

Purchase of Atlas Shrugged for up to 700 students
Visiting Speaker Series
Course and Discussion Group Support

\$6,000
\$6,000
\$5,000

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Webpage Design and Maintenance	\$5,000
Directorship Salaries	\$30,000
Graduate Student Stipends	\$64,000
Professorships for COB/COSS	\$30,000
Students in Free Enterprise Support	<u>\$4,000</u>
Total	\$150,000

Any publicity which FSU believes is appropriate in regards to this contribution would be appreciated by BB&T. We appreciate the banking relationship with FSU and hope it will continue to grow. As we discussed, BB&T anticipates making a further contribution to the FSU Economics Department as soon as the proposal is finalized by FSU.

We are pleased to have a number of FSU graduates who are making a significant contribution to BB&T's success. We are excited about expanding the relationship between FSU and BB&T. Unequivocally, this program will make the world a better place to live. We look forward to a long and mutually beneficial working relationship with you and your team.

Sincerely,



John Allison

JAA/gf

- (1) The provisions of Financial Accounting Standards No. 116 "Accounting for Contributions Received and Made" require that unconditional promises to give be recognized as an expense in the period made. As a result, we are unable to commit unconditionally to give a multi-year contribution. Future contributions are subject to approval on an annual basis by the BB&T Contributions Committee. Please contact us each year concerning this contribution.
- (2) In addition, IRS regulations require us to obtain written acknowledgment of receipt from your organization indicating the date and amount of the contribution, the tax-deductible portion and whether the donor received anything in return. Thank you for your attention to this matter.
- (3) Invoices should be mailed to BB&T Financial Projects, P. O. Box 1290, Winston-Salem, NC 27102-1290, Mail Code 001-05-04-30.

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