

Definition/Product Overview

A Donor Advised Fund (DAF) is a simple, tax-smart, charitable giving vehicle where the donor makes an irrevocable gift to the sponsoring organization, gets an immediate, maximum tax deduction & can recommend:

- you, as their trusted advisor, to manage their DAF assets
- unlimited Successor Advisors
- grants on their own timetable

Think of a DAF as a charitable savings account that your clients use to support their favorite charities. These DAFs, along with other donor fund options, are available to all financial advisors and their clients through The Independent Charitable Gift Fund (*iGiftFund*).

Benefits include:

- Your client will save 25-50% in Administrative fees. iGiftFund's Admin fees are the lowest in the industry.
- You manage the DAF on your familiar platform, at all fund size levels, in open architecture. You can act:
 - in a brokerage capacity
 - in a managed account capacity (discretionary or non-discretionary)

Minimums: \$5,000 to open a fund, \$100 for a grant

Donor Benefits

- **Tax-Wise:** Enjoy the maximum income tax deduction, avoid estate taxes and capital gains on long-term appreciated assets and assets grow tax-free
- **Simple and fast:** Simple, tax-smart and meaningful solution that enables your clients to manage their charitable giving, similar to a private foundation (with significant advantages)
- **Affordable:** Lowest Admin Fees in the industry
- **Separate:** Tax decision from grant decision
- **Efficient:** iGiftFund handles oversight and administration, including gift acceptance, compliance, grant processing, recordkeeping, and tax reporting
- **Private:** Donor decides whether to keep their charitable giving private or allow it to be acknowledged
- **Flexible:** iGiftFund accepts a wide variety of gifts including cash, marketable securities, closely-held securities (S- and C-Corp, LLC, LLP), real estate, life insurance, grants from Private Foundations, as beneficiary of CRTs/CLTs, bequests, etc.
 - Assets can be held in kind if requested.
- **Legacy:** Establish an endowment; teach children and grandchildren the importance and value of philanthropy

Advisor Benefits

- **Manage** your client's charitable investments on your familiar platform in open architecture, at all fund sizes
- **Attract and retain** high-net-worth clients seeking philanthropic and wealth management services
- **Convert** illiquid assets to managed assets
- **Move** DAFs from other sponsors to iGiftFund where you can manage investments
- **Enhance** role as trusted advisor, earn loyalty of heirs
[[Blue Underlined Text = Hyperlink](#)]

New Account Process

FOR DONORS - The [Donor Advised Fund New Account Packet](#) contains the Program Description & Guidelines, DAF Application (wherein donor recommends their FA to manage the DAF assets), How to Make A Contribution and Contribution forms.

- Either the donor or the FA may complete the DAF Application form - but the donor must sign it.

FOR ADVISORS - The 5 steps to open a DAF, with corresponding checklist, can be found at [New Account Instructions for the Financial Advisor](#). Investment Guidelines can be found at [iGiftFund's Investment Guidelines](#).

- Documents for new DAF accounts and FA investment guidelines are available at www.igiftfund.org.

Note: The FA is not required to enter into any agreements in order to use iGiftFund's services.

Ideal Clients for a DAF / Other Fund Options

- Sale of appreciated assets or selling a business
- High income tax liability, general concern about taxes
- Replace/enhance a Private Foundation
- Concerned about the complexity, costs, or lack of privacy of a private foundation
- Looking for a meaningful way to:
 - *Create and pass* on family legacy
 - *Prepare* the next generation for successful wealth transfer
 - *Make a difference* & know they will be remembered

Fees

iGiftFund charges each DAF an Administrative Fee at the annualized rates shown below (min. fee = \$150/quarter):

	<u>Assets</u>	<u>Fee</u>	<u>BPS</u>
First	\$500,000	0.45%	45
Next	\$500,000	0.225%	22.5
Next	\$1,500,000	0.15%	15
Next	\$2,500,000	0.1125%	11.25
Next	\$10,000,000	0.09375%	9.375
Over	\$15,000,000	0.075%	7.5

Company History

iGiftFund was founded by Phil Tobin, a pioneer in the field of DAFs, with more than 30 years of experience in over 4,000 DAFs worth in excess of \$4 billion. iGiftFund is:

- an independent, national sponsor of donor advised funds. It also sponsors other types of donor funds that eligible for Qualified Charitable Distributions (QCDs). Most national DAF sponsors are not eligible to receive QCDs.
- laser focused on meeting the needs of its donors with boutique-like, personalized service.
- a partner with investment professionals, helping enhance the relationship with their clients and earn the loyalty of the heirs.

How iGiftFund Differs From Other DAF Sponsors

iGiftFund differs from *commercial* sponsors of donor advised fund programs in a number of ways:

- **Access** – Donors and their financial advisors can contact iGiftFund principals directly. iGiftFund has no call center.
- **Independence** – With no pools or products to sell, iGiftFund is totally independent and can focus entirely on the philanthropic interests of the donor.
- **Fund Size, Investment Management** – There are no minimums to impede a financial advisor from managing a fund's assets at all levels, in open architecture.

- **Fees** –With lowest Administrative fees in the industry, clients will experience savings from 25% to 50% or more.
- **Fund Options** – In addition to DAFs, iGiftFund offers a variety of donor fund options that can be tailored to the donor's needs:
 - ✓ Designated
 - ✓ Field-Of-Interest
 - ✓ Charitable Endowments
 - ✓ Scholarships
- **Experience** – iGiftFund has the longest experience in the industry.

Contact Information

INDEPENDENT CHARITABLE GIFT FUND (iGiftFund®)

www.iGiftFund.org

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RESOURCES

Forms –

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- ✓ [Program Description and Application](#) – Contains an easy to read, high-level overview of the iGiftFund program and the forms to open a new DAF or to transfer an existing DAF to iGiftFund:
 - ▶ Donor Advised Fund Application
 - ▶ Contribution form
 - ▶ How to Make a Contribution to your Fund
- ✓ [Procedure to Open a New Fund](#) – Contains steps and checklist to open a new DAF
- ✓ [Contribution Form](#) – For making additional contributions to the DAF.
- ✓ [Investment Objectives and Guidelines](#) – iGiftFund's Statement of Investment Objectives and Guidelines for FAs
- ✓ [Liquidity Account Explanation](#) – Explains what it is and how it works
- ✓ [Grant Recommendation Form](#) – For donors who prefer to fill out a grant request by hand instead of online

Educational pieces –

- ❖ [The Financial Advisor's Guide to Donor Advised Funds](#) – An excellent primer for Financial Advisors on DAFs – what they are, how they work, endowment vs. non-endowment features, advantages/disadvantages, comparison to private foundations, etc. [14 pages] | For the two-page summary version, [CLICK HERE](#).
- ❖ [The Donor's Guide to Donor Advised Funds](#) – This is the donor version of the Financial Advisor's Guide. [12 pages] For the two-page summary version, [CLICK HERE](#)
- ❖ [Qualified Charitable Distributions \(QCDs\) You Can Manage](#) – Strategies to take advantage of the higher standard deduction while avoiding taxes on RMDs. [3 pages]