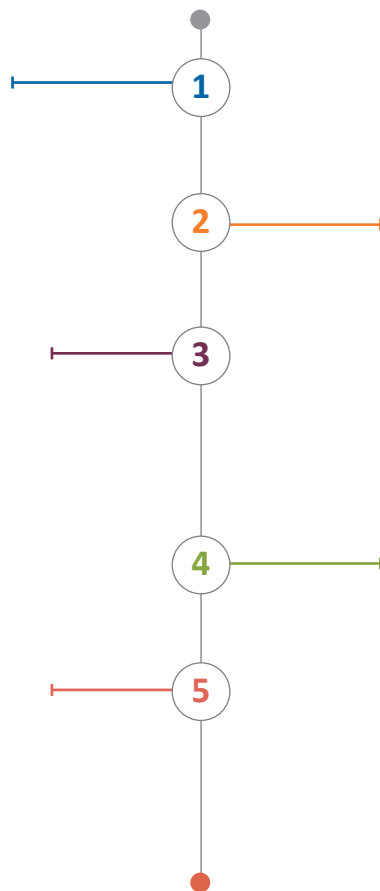


Converting a US Foundation to a Donor-Advised Fund

Foundations are powerful giving vehicles but can be both costly and time-consuming to maintain. NPT Transatlantic can help you convert all or part of your US private foundation to a donor-advised fund account (DAF). You will incur less overhead and have increased grant flexibility. Your family or foundation directors can be advisors and successors to the DAF and can replace themselves in perpetuity. You may use your foundation's name as your DAF account name.

US PRIVATE FOUNDATION

- 1 BOARD APPROVAL**
Your US private foundation board must review its governing documents to determine whether the desired dissolution is permissible.
- 3 ACCOUNT SET-UP**
You establish a NPT Transatlantic DAF by completing forms to name the DAF, designate current advisors, recommend investment options and determine a succession plan.
- 5 TAX FILING**
When asset transfer is complete to the DAF, your foundation must make necessary filings in the jurisdiction where it was created before it can be dissolved. If your foundation is a Trust, a final court accounting may be required. It must also file a IRS Form 990-PF.



- 2 LIABILITY MANAGEMENT**
If your foundation has any outstanding liabilities such as taxes, grants or fees, these need to be identified and paid before transferring assets to the DAF. A reserve must be created for any additional anticipated expenses. Once assets are transferred to the DAF, they can be granted to charities or other permissible projects. Assets cannot be granted back to the US private foundation to cover past expenses.
- 4 ASSET TRANSFER**
Transferring your foundation's assets to the DAF is like issuing a grant to any charity. A NPT Transatlantic DAF can also accept additional gifts of cash, stock, mutual funds, and other tangible personal property.

DONOR-ADVISED FUND

The average time to convert a US private foundation to a donor-advised fund is 3 to 6 months.

NPT Transatlantic is an English charity (charity number 1153376) and an English charitable company (company number 08612103). HMRC recognises NPT Transatlantic as an independent English charity. National Philanthropic Trust (EIN 23-7825575), a 501(c)(3) public charity in the United States, is the sole shareholder of the English charitable company NPT Transatlantic. The US Internal Revenue Service recognises NPT Transatlantic as a disregarded entity of National Philanthropic Trust. As a result, donations to NPT Transatlantic are considered donations to a 501(c)(3) public charity by the IRS and simultaneously considered donations to an English registered charity by HMRC.

NPT Transatlantic does not provide legal advice. Please consult your legal and tax advisors.