

Converting a Grant Making Charity to a Donor-Advised Fund

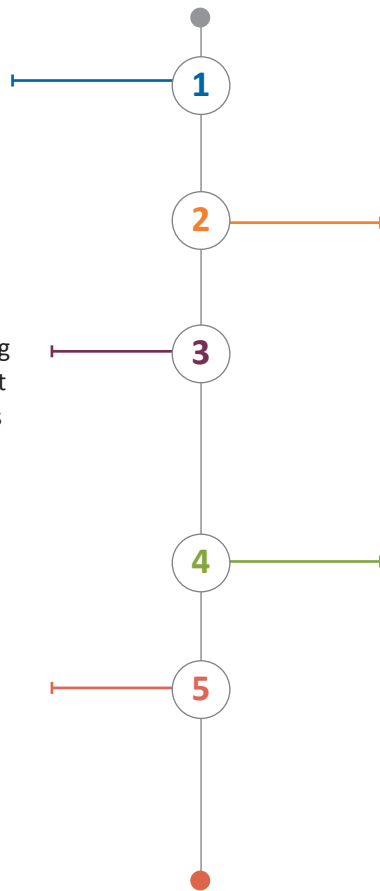
Grant making charities are powerful giving vehicles but can be both costly and time-consuming to maintain. NPT UK can help you convert your grant making charity to a donor-advised fund account (DAF). You will incur less overhead and have increased grant flexibility. Your family or charity trustees can be advisors and successors to the DAF and can replace themselves in perpetuity. You may use your charity's name as your DAF account name.

GRANT MAKING CHARITY

1 TRUSTEE APPROVAL
Your charity trustees must review its governing documents to determine whether the desired dissolution or winding up is permissible.

3 ACCOUNT SET-UP
You establish a NPT UK DAF by completing forms to name the DAF, designate current advisors, recommend investment options and determine a succession plan.

5 TAX ACCOUNTS FILING
When asset transfer is complete to the DAF, your charity must make necessary filings in the jurisdiction where it was created before it can be dissolved.



2 LIABILITY MANAGEMENT
If your charity has any outstanding liabilities such as taxes, grants or debts, 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.

4 ASSET TRANSFER
Transferring your charity's assets to the DAF is like issuing a grant to any charity. A NPT UK DAF can also accept additional gifts of cash, stock, mutual funds, and other tangible personal property.

DONOR-ADVISED FUND

National Philanthropic Trust UK (NPT UK) is an English registered charity (1181128) and an English Charitable Company (company number 11542102). Donations to NPT UK are recognised as charitable contributions for UK tax purposes.

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