

DONOR ADVISED FUND PROGRAM GUIDE

Meaningful and Effective Philanthropy



National
Philanthropic
Trust

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Introduction

On behalf of our Board of Trustees, we would like to thank you for your interest in establishing a donor advised fund with National Philanthropic Trust (NPT).

This Program Guide describes the policies and guidelines of NPT's donor advised fund program. The Guide also includes important procedures, and benefits associated with creating and maintaining your donor advised fund.

All activities of the donor advised fund are subject to the terms and conditions of this Program Guide as well as NPT's Articles of Incorporation and Bylaws. NPT reserves the right to modify this program and this Program Guide at any time subject to the provisions of the Articles of Incorporation.

About National Philanthropic Trust

Since 1996, NPT has been dedicated to increasing philanthropy in our society. We help individuals, families, companies and organizations pursue their philanthropic interests to support the causes they care about most, removing administrative burdens and maximizing the effectiveness of their giving.

National Philanthropic Trust (NPT) is recognized by the Internal Revenue Service as an independent tax-exempt public charity under sections 501(c)(3) and 509(a)(1) of the Internal Revenue Code.

Advantages of Working with NPT

NPT works with you to create individual philanthropic solutions that best serve your interests, goals and needs. Since NPT's professional staff manages the administration and financial reporting of your donor advised fund — ***you can focus your energy on giving.***

- NPT can accept the widest range of assets — including cash, appreciated securities, restricted and closely-held stock, limited partnerships, real estate and other tangible assets.
- Support may be given to qualified charities throughout the United States and worldwide.
- Grants may be made anonymously.
- Toll-free access is available to a team of professionals with over 150 years of combined philanthropic expertise, grantmaking, planned giving and the laws and best practices that govern it.
- NPT can assist in program research, offer educational opportunities and technical assistance, and share our vast knowledge of the nonprofit sector.

National Philanthropic Trust Donor Advised Fund

Contributions to NPT are irrevocable and donors receive an immediate federal tax deduction up to the maximum allowable by law. Contributions to NPT can be made at times that are most effective for you from a tax or financial planning perspective, while grant recommendations to charitable organizations may be made at a later date — now, next month, next year, or whenever is convenient for you. Your contribution is invested and professionally managed, offering the potential to grow tax-free, and result in greater support of your charitable goals.

Benefits

As a Donor to NPT, you have the opportunity to:

- Name your fund after your family, after a company, in memory of someone, for a specific cause, or any other name that appeals to you.
- Receive an immediate federal tax deduction for your gift up to the fullest extent allowable by law.
- Recommend grants on your own timetable to qualified charities nationally and worldwide.
- Recommend grants from income and principal if desired.
- Determine how you would like to be recognized for each grant, or make a grant anonymously.
- Potentially increase your charitable giving through expert investment management and tax-free growth.
- Establish a legacy in perpetuity by naming successors to your fund.

Creating a Donor Advised Fund

Who May Create an Account?

Individuals, families, companies, trusts, estates and nonprofits are all eligible to open a donor advised fund. The individual or entity that opens an account is considered the Primary Donor.

Opening an Account

An account can be opened by completing a Donor Application and providing an initial irrevocable contribution of \$25,000 or more. Applications may be obtained and completed online at NPT's website www.nptrust.org. They may also be mailed or faxed to NPT. An application, along with other forms, may also be ordered by calling NPT toll-free (888) 878-7900. Once the account is established, additional contributions of \$5,000 or more may be made at any time.

Naming an Account

As part of the account opening process, you will be asked to name your donor advised fund. The account may be named for yourself, your family, your company, a relative, a friend or in memory of a loved one (e.g., "The Jones Family Charitable Fund"). Another option is to choose a name that reflects your particular charitable interest such as "The Jones Educational Fund."

Naming Secondary Donors

You may name additional persons, in addition to the Primary Donor, to be donors to the account. Each donor will have full and equal privileges to recommend grants, to recommend changes to investment allocations, to name and remove advisors, successors and/or charitable beneficiaries to the account, and to name and remove additional donors with the same privileges. All account correspondence will be sent to the Primary Donor at the Primary Donor's address of record.

Naming Account Advisors

You may assign Account Advisors who may recommend grants from the account. An account advisor is usually a child, relative or friend whom the donor believes will recommend grants from the account that are consistent with the donor's areas of interest. An account advisor does not automatically become a successor to the account (see below), however, you can name Account Successors to assume responsibility for the account after the death of all of the original donors.

Naming Account Successor(s) or Charitable Beneficiary(ies)

You may name one or more Account Successors, or name one or more Charitable Beneficiaries to the account. An Account Successor gains full responsibility for the account after the death of all of the original donors, including the ability to make contributions, recommend grants, re-allocate investments and name Account Advisors and Account Successors. Charitable organizations may be named as the Charitable Beneficiaries if you prefer to have either an annual distribution of 5% of the account balance, or the remaining assets in the account granted to a charitable organization after the death of all of the original donors. If you do not name an Account Successor(s), or if a Charitable Beneficiary(ies) is not named, the remaining balance will be transferred to the NPT Giving Fund.

Updating Donor and Account Information

Any donor may add or update any other donor's contact information, or revoke another donor's account privileges, change or add account advisors, successors, or charitable beneficiaries and other modifications at any time via the Update Your Account form. Donors being added or removed must agree with signed consent on the Update Your Account form to their addition or removal.

Contributions

Contributions are Irrevocable

NPT will review and approve all contributions. If a contribution cannot be accepted, you will be notified as soon as possible. Once NPT accepts a contribution, it is irrevocable and unconditional, and qualifies for an immediate tax deduction subject to IRS regulations.

If you have any questions about a proposed gift, please call NPT toll-free at **(888) 878-7900** any business day between 8:30 a.m. and 5:00 p.m., Eastern Time.

Contribution Process

Depending on the type of asset, different procedures are required. Refer to the **Donor Application and Additional Contribution** forms, or contact NPT for further instructions or guidance.

- **Cash Contributions:** Cash may be delivered by check or wire. Checks should be made payable to National Philanthropic Trust.
- **Publicly-Traded Stock:** Stocks can be transferred (“in kind”) by wire to NPT’s brokerage account. Forms and instructions are included online at www.nptrust.org, or can be obtained by contacting NPT toll-free at **(888) 878-7900**. After NPT receives the appropriate donor advised fund form and the donated securities, the securities will be sold at the earliest date possible. Thinly-traded or restricted securities may require special treatment and must be pre-approved by NPT. NPT uses its discretion in selling thinly-traded securities without significantly impacting the market price of the security.
- **Mutual Funds:** Mutual fund shares may be contributed by having the shares’ ownership transferred to NPT.
- **Other Property:** Real estate and non-publicly traded assets (such as shares of a privately-held company) are considered on a case-by-case basis. Contact NPT toll-free at **(888) 878-7900** to discuss the details of your contribution.

Gifts Accepted

National Philanthropic Trust accepts the widest range of assets of any charitable organization, including:

- Cash
- Publicly-traded stock
- Restricted and controlled stock
- Privately-held stock
- Bonds
- Mutual fund shares
- Real estate
- Proceeds from life insurance
- Transfers from private foundations or other donor advised funds
- Testamentary gifts
 - Bequests from wills
 - Charitable remainder trusts
 - Charitable lead trusts

Testamentary Gifts and/or Gifts from Trusts

Contributions to NPT can be an important part of your estate planning. Donor advised fund accounts can be the beneficiary of a bequest from a will (e.g., cash, securities, real estate, etc.) or other testamentary instrument. It can also be the beneficiary of:

- A retirement plan such as an Individual Retirement Accounts (IRAs), or 401(k) plan.
- A Charitable Remainder Trust, and certain Charitable Lead Trusts.
- A life insurance policy.
- A brokerage account or other account allowing designation of beneficiaries.

Please contact us for suggested language to use when designating NPT as the beneficiary of such assets. Be sure to consult with your tax, legal or financial advisor when setting up any testamentary gift, trust or other deferred gift. If you would like to name your donor advised fund as the beneficiary of a deferred gift, please refer to our Bequest by Will or Trust primer that provides sample language for such bequests.

Tax Considerations

As a Donor, you are eligible for an itemized income tax deduction on the date that your charitable contribution is made to NPT, subject to the general limitations described below. Your deduction will depend, in part, on the type of asset contributed. This Guide only addresses federal taxes. Rules and regulations regarding tax deductions for charitable giving vary at the state level. Additional rules and regulations may apply with respect to your tax treatment depending on your circumstances. As always, you should consult with your tax, legal or financial advisor when making a charitable contribution.

Limits on the Deductibility of Charitable Gifts

You may deduct:

- **Up to 50%** of your adjusted gross income (AGI) when donating cash
- **Up to 30%** of your AGI when donating securities or property held from *more than one year*.*

Any excess deductions may be carried forward an additional five (5) years.

*For securities held less than one (1) year, your deduction will be the cost basis of the donated securities.

- **Cash/Check:** Deductions are for the amount of the cash contribution.
- **Publicly-Traded Securities:** For publicly-traded securities which have been held for more than one year, the deduction will be the fair market value of the securities, which is the mean of the high and low price reported on the date the contribution is made.
- **Mutual Fund Shares:** For mutual fund shares held for more than one year, the deduction will be for the fair market value of the shares contributed, determined as the closing price on the date the contribution is made.
- **Securities that are not publicly-traded:** For securities that are not publicly-traded, such as closely-held or some restricted securities, which have been held for more than one year, the deduction is the fair market value determined by the donor in a reasonable manner on the date the contribution is made. The IRS may require you to obtain a qualified independent appraisal in certain circumstances.
- **Short-Term Securities:** For securities (both publicly-traded and those not publicly-traded) or mutual fund shares held for less than one year, the deduction is limited to the cost basis or their current market value (whichever is lower).

Other Deduction Limitations

Under the Internal Revenue Code, deductions for charitable contributions are subject to certain “percentage limitations.” The deduction is limited to a certain percentage of your adjusted gross income (“AGI”) in the year the deduction is taken.

- **Cash:** The value of the entire contribution may be deducted, up to 50% of your AGI, in the tax year in which the contribution is made.
- **Appreciated Securities:** For securities held for more than one year, the full fair market value may be deducted, up to 30% of your AGI.
- **Carry Forward Deductions:** Any excess tax deduction may be carried forward and deducted an additional five years after the year of the original contribution.

Since NPT is a public charity, the percentage limitations that apply are generally the most favorable charitable deductions available under IRS regulations. Your ability to deduct itemized deductions may be subject to certain other limitations. Please consult your tax advisor to determine your deduction limits.

NPT will provide you with confirmation of all gifts. Contribution confirmations serve as your receipts. Because these are required by the IRS, they should be kept with your tax records.

Estate Planning

Contributions to NPT are irrevocable and any earnings associated with your contribution are outside your estate and therefore not subject to either estate tax or probate. Please consult with your legal or tax advisor on how the donor advised fund can best fit into your estate planning.

Tax Treatment of Donor Advised Fund Income and Grants

Income from investment growth, dividends or capital gains that accrues in the account belongs to the account and not the donor. Therefore, you cannot be taxed on this income and cannot claim an additional charitable deduction when the income is earned. Income or loss to the account will be reflected in the value of each account, and shown in your quarterly account statements.

When NPT makes grants to charities based on your recommendations, NPT is granting its own assets. Accordingly, you will not be eligible for additional charitable deductions for the grants made from the account.

For example, a \$30,000 deduction can be claimed for a \$30,000 contribution. If your donor advised fund account value grows to \$40,000, you are not entitled to any additional deduction. You can, however, recommend grants up to \$40,000 in value.

Investment Options

Investment Selection

NPT wants to provide the best potential investment opportunities to diversify and grow your charitable contributions. To ensure that your gifts to NPT are professionally managed, NPT has carefully selected investment funds for their history of superior performance and their high-quality portfolio managers. Several investment strategies are available, each with different objectives and risk/reward profiles to meet your investment goals.

The Trustees have sole responsibility for investing the donor advised fund assets and may adjust the composition of the investment pools from time to time.

Please review the respective strategy descriptions and investments before making your recommendation. Descriptions and performance information are available on the **Investment Descriptions & Options Form** which can be obtained online at www.nptrust.org, or by calling NPT toll-free at **(888) 878-7900**.

If you do not specify an investment pool, your contributions will be allocated to the Actively Managed Preservation Portfolio.

“Best in Class” Investment Options

NPT has identified some of the top performing investment funds from among our financial service partners. Gifts to NPT are professionally managed by institutions recognized by well-known independent sources as being among the best in their class. Participating institutions include:

- Bear Stearns
- JP Morgan Chase
- Morgan Stanley
- Pitcairn
- And other top fund managers

NPT’s Board of Trustees will review investment performance to ensure that each underlying fund is appropriate for each pool’s investment objective.

Allocating Contributions

You have three (3) options in which to invest your charitable contributions:

- **Option 1: Actively Managed Model Portfolios**

This option provides a one-step implementation of a giving plan by offering a multi-asset class approach, which uses actively managed mutual funds. Simply select the portfolio that best matches your giving goals.

- Money Market (most conservative portfolio)
- Preservation Portfolio (conservative portfolio)
- Balanced Portfolio (moderate portfolio)
- Total Return Portfolio (moderate growth and moderate risk)
- Growth Portfolio (growth and most aggressive portfolio)

- **Option 2: Index Fund Model Portfolios**

Similar to option 1, it provides a one-step implementation of a giving plan by offering a multi-asset class approach using exchange-traded funds. Simply select the strategy that best matches your giving goals.

- Preservation Portfolio (conservative portfolio)
- Balanced Portfolio (moderate portfolio)
- Total Return Portfolio (moderate growth and moderate risk)
- Growth Portfolio (growth and most aggressive portfolio)

- **Option 3: Personal Giving Strategy**

This option provides the opportunity to create a personal giving strategy that meets your specific investment objectives from among our best-in-class mutual funds.

Again, descriptions and performance information on each model portfolio and the underlying funds are available on the **Investment Descriptions & Options Form** which can be obtained online at www.nptrust.org, or by calling NPT toll-free at **(888) 878-7900**.

Investment Allocation Process

Allocation of Units

Your donor advised fund contributions are allocated, in the form of units, among the investment pools in accordance with your recommendations, as approved by NPT's Investment Committee. Units are issued based on their value at the close of the business day on which NPT receives the cash or proceeds from the sale of securities. "Business day" refers to each day that the New York Stock Exchange is open for business.

The value of a unit at the end of each business day is determined by dividing the value of each donor advised fund pool by the number of units outstanding in that pool.

On a quarterly basis, NPT will send a statement to you reporting on the current value of your account and activity during that period, including any contributions made to the account and all grants

issued from the account. Daily account balances are available by accessing your account online at www.nptrust.org, or by calling NPT toll-free at **(888) 878-7900**.

Check/Wire

The account will be credited with the number of units equal in value to the cash contribution. The unit value will be determined as of the market close on the business day of the contribution.

Securities

The account will be credited with the number of units equal in value to the net proceeds from the sale of the securities that you contributed. Net proceeds are defined as gross proceeds less brokerage commissions and any other fees.

NPT will seek to sell the securities promptly and obtain the most favorable sales price. Units will be credited to the account when the securities are sold. When securities are donated, the initial value of your account will probably differ from the value of the tax deduction to which you are entitled. This occurs because the securities are likely to be sold at a price different from the fair market value on the date of the gift. The value of your contribution (but not the amount of your charitable deduction) is determined on the date in which NPT receives the net proceeds from the sale. This value may fluctuate from the date of the contribution to the date of the sale.

Other Property

For non-publicly traded securities — assets for which no readily liquid market exists — or real estate, NPT will exercise its full discretion over all conditions of the sale, including but not limited to the time and price of sales, in an attempt to maximize sales proceeds. Any costs incurred to dispose of these securities (e.g., legal or appraisal fees) will reduce the net proceeds to the account. In most cases, the donor is responsible for securing an appraisal for the illiquid assets.

Allocation of Income and Value of Account

The value of the account will fluctuate with market movements. Income earned by the donor advised fund includes interest, dividends and other investment income, including capital gains distributions from investments in mutual funds, in excess of the operating expenses of the donor advised fund. Each unit in the particular investment pool will be allocated its pro rata share of daily income realized by that investment pool, and the income allocation will be reflected in the unit value of that pool. The value of each account will be the number of units of each pool attributable to that account, multiplied by the unit's current value. The value of a unit for each pool will include realized and unrealized capital gains or losses on the pool's portfolio investments, as well as undistributed income attributable to that pool.

Reallocating Investments

After establishing your account, you may recommend that the assets may be switched from one pool to another. You might consider switching to a more conservative or aggressive strategy based on your time frame for recommending grants, market conditions or other reasons. You may recommend a new investment strategy by completing the **Account Reallocation Request Form** which can be obtained online at www.nptrust.org or by contacting NPT at **(888) 878-7900**.

For information on our most current investment pool allocations, performance and benchmarks, call NPT toll-free at **(888) 878-7900**.

Grantmaking

Recommending a Grant

You and your designated advisors may recommend grants to qualified charitable organizations. Requests for grants can be made online at www.nptrust.org, or by submitting a completed **Grant Recommendation** form. Grant recommendations are subject to the review and approval of NPT's Board of Trustees. Upon receipt of your recommendation, NPT will verify that the charitable organization is eligible to receive the grant (see Accepted Charities and Restrictions below).

If the grant recommendation is not approved, NPT will contact you directly, explain the reasons for declining the recommendation and provide an alternative solution to satisfy your philanthropic intent. You may also decide whether to submit an alternate grant recommendation.

Eligible Grant Recipients

Grants can be made to charitable organizations that are tax-exempt under IRS Code Section 501(c)(3) and are public charities under Code Section 509(a). Grants can also be made to private operating foundations as described in Section 4942(j)(3) of the Code. Eligible public charities include the full range of charitable organizations including:

- museums and arts organizations
- schools and educational institutions
- environmental organizations
- hospitals and health care organizations
- scientific and medical research institutes
- religious organizations and places of worship
- any other organizations or institutions established for charitable purposes

Foreign Charitable Organizations: You may recommend grants to foreign charities. Additional fees will be charged to your account for the extra due diligence and processing costs. Please contact NPT toll-free at **(888) 878-7900** for a fee schedule and requirements for recommending a grant to a non-U.S. charity.

Ineligible Grant Recipients

NPT will not approve grants to:

- individuals
- private foundations (except for private operating foundations, as noted above)
- political campaigns, candidates, or to support lobbying activity
- fulfill an existing pledge (an existing pledge is one made before this grant has been approved by NPT)
- pay for dues, membership fees, tuition, goods from charitable auction, or other goods or services

Grantmaking Highlights

When recommending a grant, it is helpful to keep these things in mind:

- Grants can be made online, via fax or mail.
- Grants can only be made to qualified charities.
- Each grant must be at least \$250.
- You may receive recognition for your grant or remain anonymous.
- You may recommend that your grant be made on a recurring basis.
- All grant recommendations are subject to the review and approval of NPT's Board of Trustees.

Grants are reviewed and approved weekly, and twice a week from November 15th through January 15th.

Donor Recognition or Anonymity

When recommending a grant, you may choose a number of ways to be recognized:

- Your donor advised fund account name only
- Your name and your donor advised fund account name
- In honor of, or in memory of someone
- Remain anonymous and not be identified

NPT will not release your name and contact information to any recipient charity without your consent.

Recurring Grants

You may recommend that a grant be made on a recurring basis — quarterly, semi-annually, yearly — to a specific charity. Please note that recurring grants may be discontinued for insufficient funds, or if you send NPT a notice to suspend those grants.

Allocating Grants from Investment Pools

If the grant recommendation is approved, NPT will redeem the appropriate number of units from the pool or fund recommended, based upon the next-determined value after the grant is approved. NPT will then distribute the funds to the recommended organization.

Number of Grants

NPT currently allows you to make an unlimited number of grants from your donor advised fund.

Grant Minimum

The minimum grant amount you can recommend is \$250. If the amount of a grant recommendation exceeds the total account balance, NPT will ask you to recommend a grant in a different amount, or to make an additional contribution into your donor advised fund account.

Minimum Account Activity

If your account is dormant for three (3) years (no grant recommendations from the account), NPT will make every effort to contact you, and/or your advisor(s), and/or successor(s) to request that a grant recommendation is made. If you, or your representative, does not respond within a reasonable time, NPT will transfer the entire account to the NPT Giving Fund.

Grant Review and Distribution

Upon receipt of your grant recommendation and approval by NPT's Grant Review Committee, NPT makes grants weekly. Between November 15th and January 15th, NPT makes grants twice a week. Grants requiring additional due diligence, such as those designated to foreign charities, may take longer to process.

Grants are made by check, and a letter will accompany the check with the appropriate recognition you have determined in your recommendation, unless anonymity is requested. You may log into your account online to follow the status of your grant recommendation until the grant check is cashed by the charity. Quarterly statements will also list your grant recipients and the respective grant amounts for the preceding quarter.

Fees and Expenses

Charitable Administrative Fee

Each account is subject to an annual charitable administrative fee, which is paid to NPT, to cover donor advised fund operating expenses such as grant making, recordkeeping, annual audits, tax filing, quarterly statements and other legal and fiscal responsibilities. The following blended fee schedule will be applied to your account:

Asset Value in Account	Annual Fee (Basis Points)
\$25,000 to \$250,000	0.85% (85 basis points)
Next \$250,000	0.70% (70 basis points)
Next \$500,000	0.60% (60 basis points)
Next \$1.5 million	0.45% (45 basis points)
Next \$2.5 million	0.25% (25 basis points)
Next \$5 million	0.15% (15 basis points)
Above \$10 million	0.10% (10 basis points)

* An additional tiered pricing schedule will be available for accounts over \$10 million.

Rate Examples

Account Balance	Effective Ann. Fee (Basis Points)
\$750,000	0.72% (72 basis points)
\$1,500,000	0.61% (61 basis points)
\$3,000,000	0.50% (50 basis points)
\$5,000,000	0.40% (40 basis points)
\$10,000,000	0.27% (27 basis points)

Investment Management Fees

Each investment pool invests in mutual funds that are subject to varying operating and management expenses. Descriptions, fees and performance information are available on the **Investment Descriptions & Options Form** which can be obtained online at www.nptrust.org, or by calling NPT toll-free at **(888) 878-7900**.

- For mutual funds in the Actively Managed Model Portfolios, total expenses are 0.50% (50 basis points) per year.
- For exchange-traded funds in the Index Fund Model Portfolios, total expenses range from 0.27% (27 basis points) to 0.34% (34 basis points) per year.
- For mutual funds in the Personal Giving Strategy, total expenses range from 0.60% (60 basis points) to 1.84% (184 basis points) per year depending on the fund.

Short-Term Account Fee

If 95% or more of all assets contributed to a donor advised fund account are distributed during the first 12 months (from the date the fund is created), NPT reserves the right to charge the fund a special short-term fee equal to 2% of the total value of the assets contributed during that 12-month period.

Naming Account Advisors

When establishing an account, you may assign Account Advisors who may recommend grants from the account. An Account Advisor is usually a child, relative or friend that you believe will recommend grants from the account that are consistent with your areas of interest. An Account Advisor does not automatically become an Account Successor (see below). However, you can name an Account Successor(s) to assume responsibility for the account after the death of all of the original donors. You may change advisors at any time by completing and returning the **Update Your Account** form to NPT either by fax or mail.

If a group of individuals is contributing to an account, or if a corporation has established an account, up to two (2) individuals or officers can be designated to recommend grants from that account.

Succession Options

When establishing a donor advised fund account, you should specify a succession plan that tells NPT how to treat the account assets after the last donor has died. You may choose one of the following succession plan options described below. If no option is chosen, the NPT Giving Fund will be designated as your successor. We recommend reviewing successor information once a year to ensure that it remains consistent with your wishes and to verify that all contact information is current. You may request a change to your succession plan at any time.

1. Retaining Assets in the Account, and Appointing Account Successors

You may name one or more Account Successors, including your spouse, a child, or other descendant, heir or representative. An Account Successor gains full responsibility for the account after the death of all of the original donors, including the ability to make contributions, recommend grants, re-allocate investments and name advisors and successors. If the account is a joint account, succession applies only after the death of all of the original donors. Therefore, if one donor dies, the remaining donor(s) retains all privileges to recommend grants and name Account Successors. NPT must be provided with written notification and proof of the donor's death for succession to take effect. The process of assigning Account Successors can continue in perpetuity.

2. Creating New Program Accounts for Multiple Account Successors

A new account will be established for each individual named as an Account Successor. If you select this option, the new accounts will be funded equally from the remaining account balance after the death of all of the original donors. Upon assuming account privileges, the Account Successor(s) may designate their own Account Successors. Successor accounts must be funded with a minimum of \$25,000. Accounts with a balance of less than \$25,000 will have the option to combine assets with another Account Successor, or make additional contributions to reach the \$25,000 minimum within 12 months from the date of notification. Alternatively, Account Successors may recommend grants equal to the accepted balance within 90 days. If an Account Successor fails to respond to the notification within the 90 days, the Trustees will transfer the balance to the NPT Giving Fund.

3. Naming Charitable Beneficiaries

One or more public charities may be designated to be considered for grants from the account upon the donor's death. Charitable Beneficiaries may receive either an annual distribution of 5% of the account balance, or the remaining balance of the account assets. These organizations are subject to the same grant approval process as grant recommendations made during the donor's lifetime. If a designated organization no longer exists, NPT will make every effort to make a grant to an organization that supports similar purposes.

NPT Giving Fund

You may request that the assets from your account be transferred to the NPT Giving Fund. NPT's Giving Fund is used by NPT to build a permanent fund from which grants will be recommended by our Board of Trustees to support charitable causes throughout the country. Research will be conducted by our staff to identify charitable organizations deserving philanthropic support. Requests for grants are not accepted at this time. If an Account Successor or Charitable Beneficiary is not named, the account's remaining balance will be transferred to the NPT Giving Fund.

Reporting and Receipts

Confirmations and Quarterly Statements

NPT will provide you with confirmation of all gifts into your account. Contribution confirmations serve as your receipts. Because these are required by the IRS, they should be kept with your tax records. Contribution confirmations will also show an estimate of the full, fair market value of the publicly-traded securities contributed. Any fair market value computation is a good faith estimate on the part of NPT, and clients should consult with a tax advisor to determine applicable deductibility.

You will receive quarterly and annual account statements detailing account transactions, contributions, grant activity, account balances and funds available for grantmaking. Online account access is available at www.nptrust.org. When logging in to your account, you can view your account balance, your quarterly statements, create a list of your favorite charities, recommend a grant, review the status of your grant recommendations and donations and download program forms.

Tax Forms

NPT will also provide you with an annual IRS Form 8283, if required, showing an estimate of the fair market value of any contribution of publicly-traded securities. The IRS requires that Form 8283 be completed and filed with your federal income tax returns for gifts of property of \$500 or more (including publicly-traded and other securities).

Finally, NPT will provide you with any other financial reports or information required by law.

Administrative Support

NPT simplifies charitable giving by providing administrative support that helps you pursue your philanthropic objectives meaningfully and effectively. Our Board of Trustees and professional staff strive to provide you with an enriching and engaging experience that allows you to focus your energy on giving. This includes:

- Online access to monitor all account activities, grantmaking tools to research charities and recommending grants, and more.
- Assistance in charitable research, and help manage complex contractual grantee relationships, share our vast knowledge of the nonprofit sector and offer technical assistance.
- A well organized, information-rich website with news, articles, and resources on philanthropy.

Please visit our website, www.nptrust.org, or contact us directly toll-free at **(888) 878-7900** any business day between 8:30 a.m. and 5:00 p.m., Eastern Time.

Document Library

Below is a list of the most commonly used forms and documents for establishing and administering a donor advised fund account. All of the forms listed below can be downloaded from our website, www.nptrust.org or can be order via phone toll-free at **(888) 878-7900**.

To Open an Account

- **Donor Application:** Establishes a donor advised fund account.
- **Bequest by Will or Trust:** Assists in naming National Philanthropic Trust as the beneficiary of a will, individual retirement account, charitable trust, or other deferred giving instrument.
- **Invest Descriptions & Options:** Provides descriptions, fees and performance information on our investment options.

To Donate Assets

- **How to Make New or Additional Contributions:** Provides instructions and paperwork needed for making contributions to either a new or an existing account. Includes wire and DTC instructions.
- **Letter of Authorization:** Authorizes a donation of mutual fund shares or endorsed security certificates.
- **Delivery Instructions for Securities:** Authorizes the transfer of stocks and bonds held at a financial institution.
- **Additional Gift Agreement Form:** Accompanies additional donations (minimum \$5,000) to a donor advised fund account after it has been established.
- **Bequest by Will or Trust:** Assists in naming National Philanthropic Trust as the beneficiary of a will, individual retirement account, charitable trust, or other deferred giving instrument.

To Recommend a Grant

- **Grant Recommendation Form:** Informs National Philanthropic Trust of an account advisor's wish to recommend a grant from a donor advised fund account.

To Update Your Account

- **Update Your Account:** Use this form to update contact information, advisors, and succession plans.
- **Account Re-Allocation Form:** Use this form to recommend a change in the investment allocation of a donor advised fund.

Disclosure Statement

Financial information about National Philanthropic Trust can be obtained by contacting us at 165 Township Line Road, Suite 150, Jenkintown, PA 19046, or toll-free at (888) 878-7900, or as stated below. Colorado: Colorado residents may obtain copies of registration and financial documents from the office of the Secretary of State, (303) 894-2680, <http://www.sos.state.co.us/> Florida: A COPY OF THE OFFICIAL REGISTRATION AND FINANCIAL INFORMATION MAY BE OBTAINED FROM THE DIVISION OF CONSUMER SERVICES BY CALLING TOLL-FREE, WITHIN THE STATE, 1-800-HELP-FLA. Georgia: A full and fair description of the programs and activities of [name of charity] and its financial statement are available upon request at the address indicated above. Illinois: Contracts and reports regarding National Philanthropic Trust are on file with the Illinois Attorney General. Maryland: For the cost of postage and copying, documents and information filed under the Maryland charitable organizations laws can be obtained from the Secretary of State, Charitable Division, State House, Annapolis, MD 21401, (800) 825-4510. Michigan: Registration can be obtained through the Michigan Charitable Trust Section, P.O. Box 30214, Lansing, MI 48909, (517) 373-1152. Mississippi: The official registration and financial information of National Philanthropic Trust may be obtained from the Mississippi Secretary of State's office by calling (888) 236-6167. New Jersey: Information filed with the Attorney General concerning this charitable solicitation and the percentage of contributions received by the charity during the last reporting period that were dedicated to the charitable purpose may be obtained from the Attorney General by calling (973) 504-6215 and is available on the internet at www.njconsumeraffairs.gov/ocp.htm#charity. Registration with the Attorney General does not imply endorsement. New York: A copy of the latest annual report can be obtained from the organization or from the Office of the Attorney General by writing the Charities Bureau, 120 Broadway, New York, NY 10271. North Carolina: Financial information about this organization and a copy of its license are available from the State Solicitation Licensing Branch at (888) 830-4989. Pennsylvania: The official registration and financial information of National Philanthropic Trust may be obtained from the Pennsylvania Department of State by calling toll-free, within Pennsylvania, (800) 732-0999. Virginia: Financial statements are available from the State Office of Consumer Affairs, P.O. Box 1163, Richmond, VA 23218. Washington: The notice of solicitation required by the Charitable Solicitation Act is on file with the Washington Secretary of State, and information relating to financial affairs of National Philanthropic Trust is available from the Secretary of State, and the toll-free number for Washington residents: (800) 332-4483. West Virginia: West Virginia residents may obtain a summary of the registration and financial documents from the Secretary of State, State Capitol, Charleston, WV 25305. REGISTRATION IN THE ABOVE STATES DOES NOT IMPLY ENDORSEMENT, APPROVAL OR RECOMMENDATION OF NATIONAL PHILANTHROPIC TRUST BY THE STATE.



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Philanthropic
Trust

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Revised July 2008

