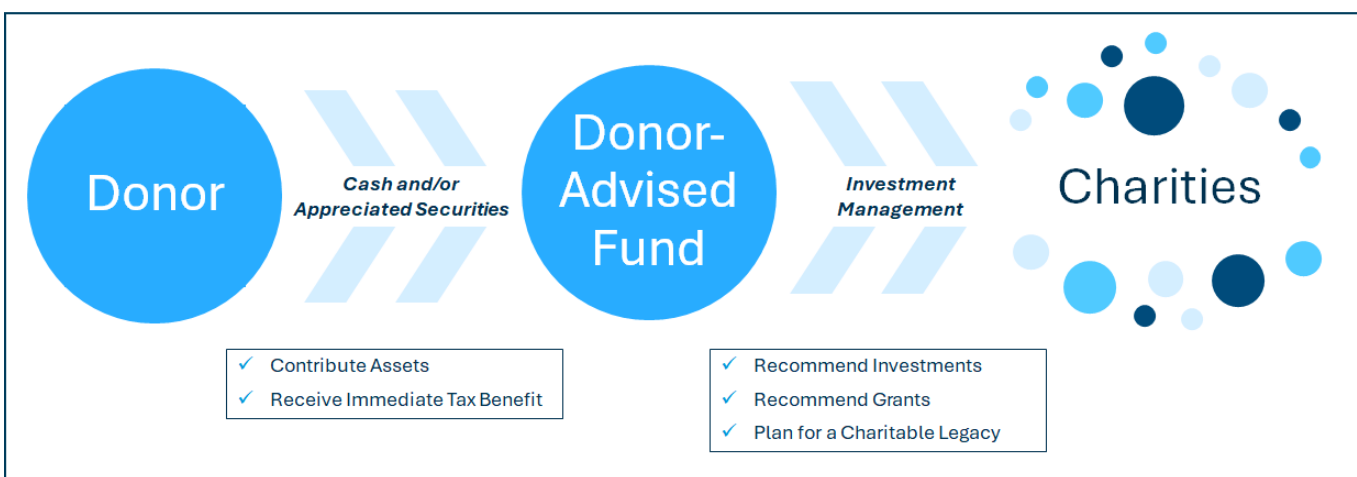


Building Your Philanthropic Legacy: Donor-Advised Fund

A Donor-Advised Fund (DAF) is a charitable giving account administered by a public charity that allows donors to make tax-deductible contributions and then recommend grants from the fund to qualified charitable organizations over time.



Key Attributes:

- Donors contribute cash, securities, or other assets to a DAF account and receive an immediate tax deduction of up to 50% of their adjusted gross income (AGI) for cash and 30% of AGI for appreciated property. Excess deductions can be carried forward up to 5 years.
- Assets in a DAF account are invested and grow tax-free until the donor recommends grants to their chosen charities.
- Donors retain advisory privileges to recommend grants from the DAF to IRS-qualified 501(c) (3) public charities, though the sponsoring organization must approve the grants.
- DAFs offer flexibility by allowing donors to contribute whenever convenient and recommend grants on their own timetable. At present, there is no minimum

required distribution amount, although many DAFs have self-imposed rules on this to ensure compliance of the DAF overall. For example, Fidelity requires at least 5% of the fund be paid out to qualified charities every two years.

DAFs are popular vehicles for charitable giving due to the tax advantages, ability to donate appreciated assets, potential for tax-free growth, and ease of administration compared to private foundations. They also offer greater anonymity for donors making charitable grants.

DAFs can accept a wide range of assets, including cash, marketable securities, real estate, art, collectibles, closely-held business interests, private equity fund interest, cryptocurrency and even grants from private foundations. Each DAF has its own policies and procedures that govern what it will accept.

Setting Up a DAF is a Simple Process...

- Select a sponsoring organization with whom to open the account.
 - Complete the donor application and account opening process providing details like the name for your DAF and investment allocation preferences.
 - Make an irrevocable, tax-deductible contribution to fund the DAF account.
 - Receive an immediate tax deduction for the fair market value of the contributed assets in the year they are donated to the DAF. The assets in the DAF can potentially grow tax-free through investments chosen by the sponsor or based on your allocation preferences.
 - Recommend grants from the DAF to your chosen charities whenever you wish. The sponsor handles all record-keeping and due diligence on recipients.
 - Major sponsors of DAFs include community foundations, and national organizations like Fidelity Charitable and Schwab Charitable.
 - 1919 can manage the assets of a Donor Advised Fund established as a trust for the benefit of the NYCT.
 - Subject to the DAF sponsor's rules, DAFs of \$250,000 or more can be professionally managed by 1919.
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About 1919 Investment Counsel

1919 is a registered investment advisor. Its mission for more than 100 years has been to provide investment counsel and insight that helps families, individuals, and institutions achieve their financial goals. The firm is headquartered in Baltimore and has offices across the country in Birmingham, Cincinnati, New York, Philadelphia, San Francisco, and Vero Beach. 1919 seeks to consistently deliver an extraordinary client experience through its independent thinking, expertise and personalized service. To learn more, please visit our website at 1919ic.com.

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