

Donor-Advised Funds...what is this all about?

Dr. Carl Thong
Group MD, momenta Group
Board, TrustBridge



 TrustBridge
global

MAKING
GLOBAL
GIVING
EASY

2 Basic Ways To Donate

Person (or family) → Charity

Advantages

- Direct
- Easy

Person (or family) → Foundation → Charity

Advantages

- Better organized
- Structure
- May raise funds from other donors to donate alongside



So why is there a need for DAF?

10 Questions Donors May Ask...

- Tax deduction? When? (US\$ 100,000 donation this year for tax deduction, but charity only need US\$ 20,000 this year.)
- Ad hoc giving or strategic?
- Only cash donations?
- Domestic? International? How about tax deductions?
- Family involved? Multi-generational giving?
- Asset appreciation? Investment management?
- Costly?
- Is the charity legitimate?
- Is the charity able to manage the funds properly?
- Professional guidance?

Donor-Advised Fund

**Cash; Portfolios;
Businesses; Real Estate;
Crypto; Art; Life Insurance
Policies; VC/PE; Jewellery;
etc.***



DAF



Charity 1

Charity 2

Charity 3

Venture Capital
(specifically, impact investing)

**Discretionary
Mandate**
(asset management)

Person (or family) → Charity

Person (or family) → Foundation → Charity

*DAF regulations will vary by country, tax jurisdictions, etc.

What is a Donor-Advised Fund (DAF)?

A giving account where donors may recommend grants to charitable organizations. It allows donors to make a charitable contribution and receive an immediate tax deduction. It may hold a variety of liquid and non-liquid assets and invest in active or passive investments. It can also be managed separately by an approved financial advisor and is subject to balance-based cost assessments.

How DAFs differ from traditional charitable foundations:

- Can be set up within days
- No need to set up an independent Board of Trustees as the DAF is governed by the trustees of TrustBridge Global
- All grantee due diligence is handled by TrustBridge Global
- Allow your clients to make charitable donations anonymously if desired

BENEFITS OF DAF

- ✓ Immediately Tax Deductible
- ✓ Global & Borderless
- ✓ Easy & Fast
- ✓ Cost Effective
- ✓ Compliance
- ✓ Confidential & Private
- ✓ No need to open a bank account
- ✓ Safe & Secure
- ✓ **Asset Management**
- ✓ Tax-free Capital Gains
- ✓ Social Impact Investing

Social Impact Investing



Eagleventurefund.com



How DAF Works in the USA

A DAF works like a charitable checking account. With an initial contribution into the DAF account, donors immediately qualify for an income tax deduction. Donors can recommend grants and fund charities they choose to support.

Donors can also choose how they'd like the money in their fund to be invested to potentially grow over time and create the most impact.



Make tax-deductible gifts

Contribute all kinds of gifts to your fund like stocks, business interests, and real estate for greater tax savings.

Choose an investment option

Invest the money in your DAF account to grow tax-free for even greater charitable impact

Recommend grants

Select charities, and select how much, how often, and when you want to recommend a grant to them.

Main Players in the Donor-Advised Fund Landscape



FIDELITY Charitable®



Vanguard
Charitable



SCHWAB
CHARITABLE™



National
Philanthropic
Trust

In 2021, the National Philanthropic Trust examined data from 995 charitable organizations that sponsor DAFs.

- DAF donors granted at historic levels. Grants from DAFs to qualified charities totaled an estimated \$45.74 billion, representing a 28.2 percent increase compared to 2020.
- The DAF grant payout rate was 27.3 percent, the highest grant payout rate on record. The payout has remained above 20 percent for every year on record, reflecting the consistent charitable support that DAF donors provide.

Donor-Advised Funds in Singapore



<https://www.asiacf.org/>



<https://www.cf.org.sg/>



UBS Optimus Foundation





ADVANTAGES OF DAF OVER CONVENTIONAL FOUNDATIONS

- Flexibility and control over charitable giving
- Cost-effectiveness and administrative simplicity
- Enhanced privacy and reduced compliance burden
- Leveraging the professional expertise of DAF providers

WHY DONOR-ADVISED FUNDS MAKE SENSE FOR HIGH NET WORTH CLIENTS

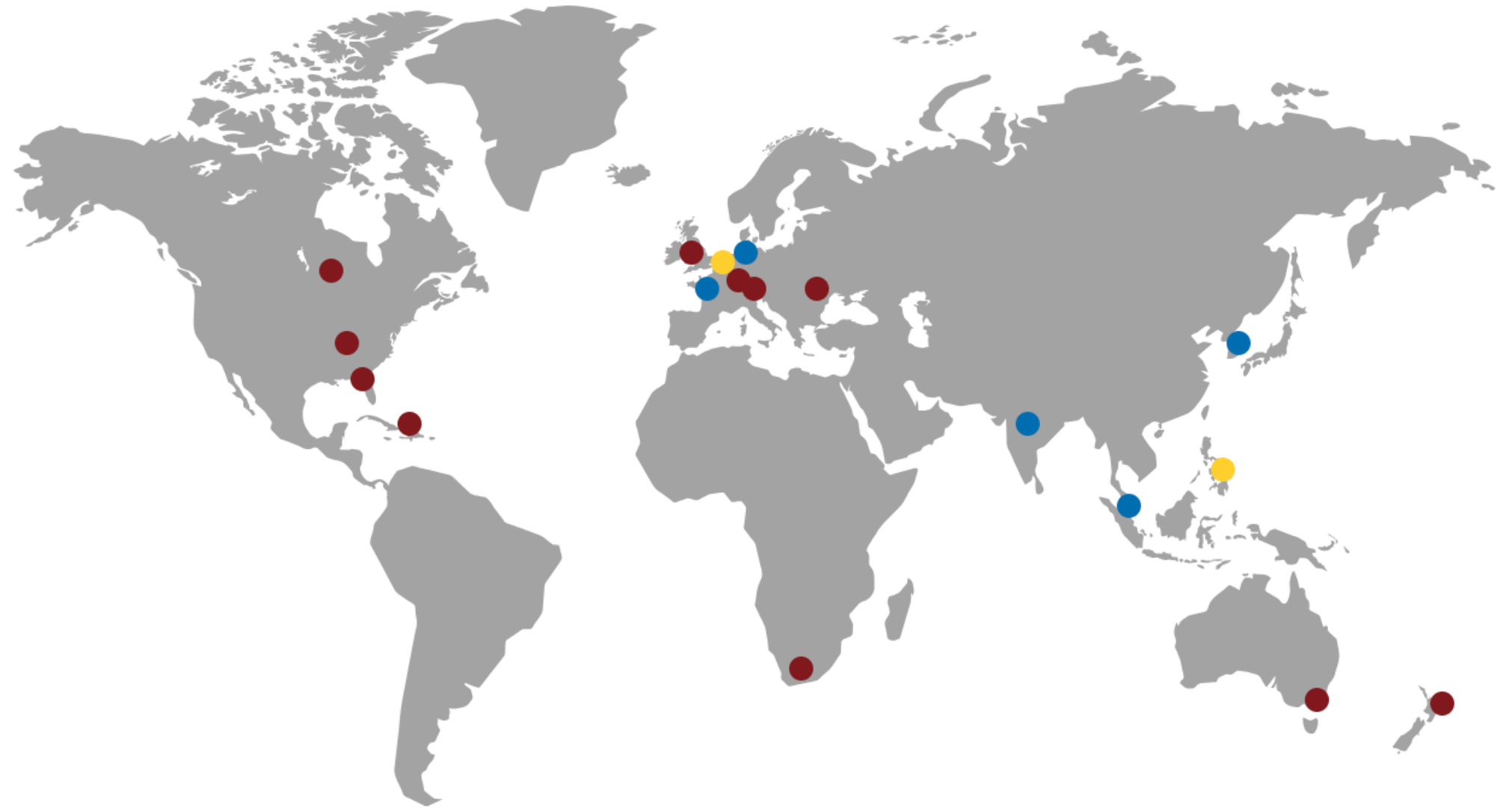
- Tailored philanthropic planning and strategy
- Multi-generational impact and legacy planning
- Integration with overall wealth management goals



Tax Deductions: Global, Multi-Generational Giving

TrustBridge's Network

- Switzerland
- United Kingdom
- Canada
- United States
- Australia
- New Zealand
- Etc.



- Current Member
- Provisional Member
- Possible Future

Q&A



TrustBridge

global

GIVING | IMPACT | GLOBAL

Dr Carl Thong
carl.thong@momenta.biz
+65 9040 6166

www.trustbridgeglobal.com