



Morgan Stanley

# Donor Advised Funds

Helping Your Donations Do More for You  
and the Charities You Care About

MORGAN STANLEY GLOBAL IMPACT FUNDING TRUST, INC.

Charitable giving is among the highest of human aspirations, woven into the fabric of organizations, countries and societies around the world. While many individuals and families have a deep commitment to philanthropy, charitable giving is not limited to those with significant wealth. Donor advised funds are among the easiest and most tax-advantaged ways to give to charity for donors across the spectrum of wealth.

**Giving to a donor advised fund does not have to be complex or time-consuming. Morgan Stanley Global Impact Funding Trust, Inc. (MS GIFT) can work with you to:**

- Set aside assets for charitable purposes.
- Generate tax advantages immediately.
- Seek growth of the assets.
- Defer selection of specific charities that will receive your grants.
- Maintain decision-making flexibility on the grant recipient, as well as the size, number and timing of grants.
- Multiply your impact through Impact Pools that invest in companies creating a positive environmental and social impact through their products/services or corporate practices.

A well-planned and thoughtful approach to charitable giving benefits donors and, more importantly, the charities you care about. This is why you may want to consider the advantages of a donor advised fund (DAF) as part of your overall charitable giving strategy.

“Delivering innovative solutions for our clients that align their personal values with their financial goals is an important focus for Morgan Stanley, and I believe we are uniquely suited to do this.”

James Gorman  
*Morgan Stanley Chairman and CEO*

# How a Donor Advised Fund Works

A DAF is a charitable giving vehicle administered by a sponsoring organization such as MS GIFT, a 501(c)(3) public charity. DAFs are structured as 501(c)(3) organizations created with the intent of managing charitable donations on behalf of individuals, families and organizations.

Donors retain advisory privileges over how money should be granted to selected charities.

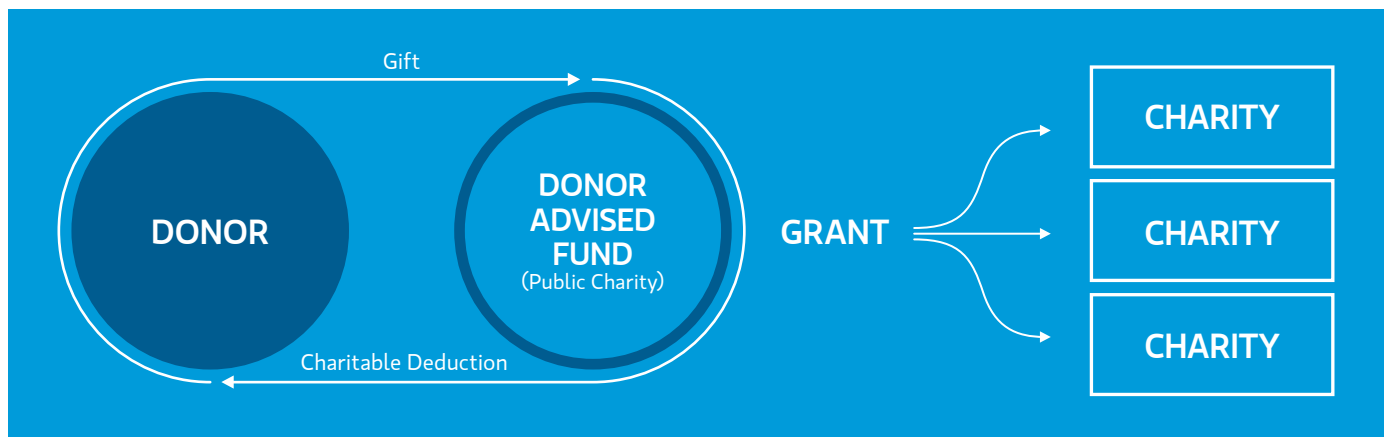
Contributions to a DAF are invested in line with donor preferences and have the potential to grow tax-free while the donor recommends which charities to support.

Given that DAFs are structured as public charities, donors receive the tax benefit up front, even if:

- The donor recommends grants to IRS-qualified public charities in multiple installments over several years.
- Donated assets have not been distributed to the recipient organizations before the end of the taxable year in which the contribution is made to the DAF.
- The donor has not decided to recommend grants to any recipients.

“The extraordinary passion and generosity powering entrepreneurship and philanthropy inspires us every day.”

Jed Finn, *Managing Director*  
*Chief Operating Officer*  
Morgan Stanley  
Wealth Management



# How a Donor Advised Fund Benefits Donors

Donor advised funds simplify charitable giving. Benefits to donors include:

- **SIMPLICITY.** Contribute to a DAF with cash or appreciated assets and receive an up-front tax deduction.
- **PLANNED PHILANTHROPY OVER TIME.** While assets are held in the DAF, donors and their Morgan Stanley Financial Advisors can thoroughly research areas of charitable interest and specific organizations.
- **LEGACY CREATION.** DAFs are an effective way to coordinate philanthropic giving with succession planning.
- **PROFESSIONAL ASSET MANAGEMENT.** Contributions are professionally managed and invested, allowing for potential growth of assets.
- **ANONYMOUS OR NAMED GIFTING.** Grants to other charitable organizations may be made anonymously or by recognizing the donor.
- **FLEXIBILITY IN GRANT TIMING AND CHARITY SELECTION.** Flexibility is preserved in charity selection and timing of distributions and, should conditions change, reallocation is allowed for planned donations that have not been distributed.
- **TAX-ADVANTAGED CONSIDERATIONS.** The capital gains tax on gifts of appreciated securities and other assets may be mitigated so as to receive potential reductions in estate tax liabilities.
- **FLEXIBILITY TO CHOOSE INVESTABLE ASSETS.** Donors can contribute cash and other marketable securities. With prior approval, donors can contribute illiquid assets such as real estate, art, commodities or private company stock.
- **NOT LIMITED TO INDIVIDUALS.** Individuals, families and organizations may contribute to a DAF.



# Morgan Stanley Global Impact Funding Trust, Inc.

Morgan Stanley clients have access to a DAF through MS GIFT, which is an independent section 501(c)(3) organization.



**KEY FACTS ABOUT MS GIFT:**

**More than 22 years of operation and experience;**  
established in August 2000

More than **13,500 accounts**, collectively valued at over \$6.1 billion as of 12/31/2021

Total grants to charities of **\$3.7 billion** since inception

Back office administration provided by Ren, an unaffiliated charitable gift administrator.

Investment platform professionally managed by Morgan Stanley

Led by a board of directors that includes seasoned professionals from both within and outside of Morgan Stanley

**Things you can do via MS GIFT that you may not be able to do elsewhere:**

- Achieve positive environmental and social impact in the public markets through MS GIFT Impact Pools’ investment holdings, in addition to grants distributed to selected charities.
- Receive professional investment advice on growing your charitable gifts.
- Contribute using a wide variety of cash and marketable securities. With prior approval, contribute illiquid assets such as real estate, artwork or private company stock.
- Help coordinate charitable giving with succession planning.
- Develop a program of giving or transfer a private foundation to a simpler gifting solution.
- Mitigate capital gains tax on gifts of appreciated securities and other assets.
- Establish a long-term charitable giving strategy that reflects your passions, vision and values.
- Make anonymous contributions.
- Reduce your estate tax liabilities.
- Conduct research on areas of charitable interest and specific charities.
- Create a philanthropic legacy.

# Three Programs for Charitable Giving

Donors wishing to contribute to MS GIFT's donor advised fund program can select the investment platform that aligns with their needs and those of their family, as summarized below:

PROGRAM CHOICE	ASSETS MANAGED BY	MINIMUM CONTRIBUTION
Select UMA	Third-Party Managers, ETFs, Mutual Funds	\$25,000
Portfolio Management	Morgan Stanley Portfolio Manager	\$25,000
NextGen	Third-Party Managers, ETFs, Mutual Funds	\$25,000 parent \$5,000 child

Each of the three programs is further explained below.

## Select UMA® Program

Morgan Stanley's Select UMA program is a unified managed account that allows you and your Morgan Stanley Financial Advisor to leverage the firm's expertise at each stage of Consulting Group's investment process.

### HOW IT WORKS:

- Contributions to MS GIFT are invested in the Select UMA investment advisory platform.
- The unified managed account combines separately managed accounts, mutual funds and exchange-traded funds in a diversified, cost-effective portfolio.

## Portfolio Management (PM) Program

The Portfolio Management Group creates customized investment strategies for high net worth individuals and institutional clients. Our Portfolio Managers are a select group of Morgan Stanley Financial Advisors who are qualified by the firm to manage client assets based on training, experience and commitment to client service.

### HOW IT WORKS:

- Contributions to your PM DAF account are managed on a discretionary basis by your Morgan Stanley Portfolio Manager.
- To qualify for this investment option, the initial contribution must be at least \$25,000, and your Morgan Stanley Financial Advisor must be properly certified for the PM program.

## NextGen Program

A NextGen DAF welcomes the next generation of philanthropists into financial discussions and decision-making connected to family giving. It is a powerful way to have meaningful intergenerational conversations and encourage next generation members to take an interest in family financial concerns.

### HOW IT WORKS:

- With a minimum contribution of \$25,000, you may create a DAF for yourself (if you don't already have one with MS GIFT).
- Then, you can open a related NextGen DAF of at least \$5,000 for a child or young adult—even one under the age of legal majority.
- The NextGen DAF can be replenished, in increments of \$1,000 or more, as donations are decided upon and distributions are made.
- The parents or grandparents, child and Morgan Stanley Financial Advisor work together to determine the recipients, amounts and timing of the donations, making it a family concern that may also make a lifetime impression on the child.
- The account itself may incorporate the child's name.

# Investing with Impact

The potential for positive impact through a DAF goes beyond grants made to charitable organizations. Assets not only have the potential to grow tax-free, but also generate positive environmental and social impact in the public markets. The Investing with Impact Pools in the MS GIFT DAF program give donors an opportunity to broaden their impact.

Since its inception in 2012, Morgan Stanley's Investing with Impact Platform has provided clients with investments, solutions and thought leadership to help them advance a more sustainable world. Morgan Stanley defines Investing with Impact as an approach that aims to generate market-rate financial returns while demonstrating positive environmental and/or social impact.

**INVESTING WITH IMPACT** sets Morgan Stanley apart as a leader in financial services. Investing with Impact includes over 230+ investment strategies, 15 internally-managed Impact

Portfolio Solutions, and custom portfolio solutions access to capital market offerings and custom restriction screening across 34 distinct issue areas. Morgan Stanley's Institute for Sustainable Investing, coupled with Investing with Impact, provides individuals, families and institutions with industry-leading research, white papers and educational material to make educated investment decisions.

"Sustainable investing is an incredibly important part of our Firm's DNA. From education and health care to financial inclusion in different parts of the world, there are opportunities for investors of all types to pursue both positive financial return and sustainable impact."

James Gorman  
*Morgan Stanley Chairman and CEO*

## Why Investing with Impact?

Sustainable and impact investments can create economic, social and environmental impact while seeking to generate market-rate financial returns, and can be implemented across all asset classes and geographies.

Once considered a niche investment trend, investing to generate positive impact has evolved into one of the top areas of investor focus. Morgan Stanley started Global Sustainable Finance in 2009 to integrate sustainability into each of our core businesses, and today, we are considered a leader in this space.



# MS GIFT's Investing with Impact

The Investing with Impact Pools utilize highly regarded third-party investment managers with demonstrated experience in generating positive environmental and social impact alongside potential market-rate financial returns. The Impact Pools are well-diversified and risk-aware and eligible investments include separately managed accounts, mutual funds and exchange-traded funds (ETFs).

The MS GIFT Impact Pools are activated towards the three I's of Impact, our multidimensional approach to Investing with Impact:



# MS GIFT Administrative Services

MS GIFT provides a comprehensive donor portal where you can suggest a grant by completing an online application. You can also provide grant information to your Morgan Stanley Financial Advisor team or via MS GIFT's administrative help desk.

## MS GIFT includes these comprehensive administrative services:

- Confirmation of all grants made and gifts received.
- Quarterly fund statements listing gifts, grants, fees and investment performance.
- Documentation needed to report contributions to the Internal Revenue Service (IRS).
- Information about qualifying nonprofit organizations.

## An MS GIFT DAF can support and enhance your goals:

As you consider realignment of your charitable giving approach, keep in mind:

- You likely can continue donating to the same charities you support now.
- Your philanthropic goals may be enhanced by more strategic giving.
- The administrative details are attended to for you by the DAF.
- You can donate cash, stocks, illiquid assets (on a case-by-case basis) and more.
- Your donations have potential for growth.

# You and Morgan Stanley

By putting clients first, leading with exceptional ideas, doing the right thing and giving back, Morgan Stanley aims to deliver results today, while setting strategic goals for the future.



Your philanthropic goals and our company culture may be a perfect fit. Let us help you streamline your effort and maximize the impact of your charitable giving.

**Contact your Morgan Stanley Financial Advisor or Private Wealth Advisor to get started.**

<sup>1</sup>Morgan Stanley's Global Investment Management Analysis (GIMA) team, defines diverse asset managers as those with 33% or greater ownership by women or racial/ethnic diverse individuals. This definition aligns with the US Equal Employment Opportunity Commission categories and includes: Hispanic or Latino, Black or African American, Asian, American Indian or Alaska Native, Or Native Hawaiian or other Pacific Islander.

**The Morgan Stanley Global Impact Funding Trust, Inc.** (MS GIFT) is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended that sponsors a donor advised fund program. MS Global Impact Funding Trust (MS GIFT) is a donor advised fund. Back office administration provided by RenPSG, an unaffiliated charitable gift administrator.

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While we believe that MS GIFT provides a valuable philanthropic opportunity, contributions to MS GIFT are not appropriate for everyone. Other forms of charitable giving may be more appropriate depending on a donor's specific situation. Of critical importance to any person considering making a donation to MS GIFT is the fact that any such donation is an irrevocable contribution. Although donors will have certain rights to make recommendations to MS GIFT as described in the Donor Circular & Disclosure Statement, contributions become the legal property of MS GIFT when donated.

The Donor Circular & Disclosure Statement describes the risks, fees and expenses associated with establishing and maintaining an MS GIFT account. Read it carefully before contributing.