

The Giving Fund: Custom Investments



ABOUT CUSTOM INVESTMENTS

As a boutique donor advised fund, The ImpactAssets Giving Fund uniquely enables donors to source and recommend direct investments in private mission-driven businesses, impact funds and nonprofit organizations. As a result, donors can customize their impact and align their investment strategy with their grantmaking.

CUSTOM INVESTMENTS THAT QUALIFY

Custom Investments can be in companies, funds and other enterprises that aim to solve social or environmental challenges while generating a financial return. All entities that receive investment from ImpactAssets must have a commitment to measuring and reporting on their financial returns as well as social or environmental impact.

DONOR SPOTLIGHT: DOING PHILANTHROPY LIKE A VENTURE CAPITALIST



SETH GOLDMAN
GIVING FUND CLIENT
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Unlike more conventional donor advised funds, the ImpactAssets Giving Fund permits Seth Goldman to remain hands on, entrepreneurial and socially-conscious when investing his philanthropic capital, and he has put half of it into private equity deals he finds himself. His biggest win so far was a \$100,000 investment in Happy Baby, an organic baby food company. Happy Baby was sold to Danone in 2013 and Goldman saw an 80% return in two years to his Giving Fund, increasing his philanthropic assets.

Currently through his Giving Fund, Goldman is invested in Beyond Meat, a plant-based-protein maker; Sweetgreen, an organic-greens restaurant; and CSA Medical, which uses a flash-freezing system to destroy cancers and other unwanted tissue. He says he hears about such startups “organically” - through word of mouth - and looks for leaders who are both “fired up” about a new product and cost-conscious. Technically, Goldman can only recommend investments to ImpactAssets, which vets them. However, once an investment is approved, other donors’ funds may be able to invest as well.

This is an adaptation of the “How to Give Like An Entrepreneur” story that appeared in the December 29, 2014 issue of Forbes.

CONTACT US TO LEARN MORE

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ABOUT IMPACTASSETS

ImpactAssets is a nonprofit financial services firm that increases the flow of capital into investments that deliver financial, social and environmental returns.

The ImpactAssets Giving Fund and Impact Investment Notes enable philanthropists to engage in impact investing and align their capital with their values.

ILLUSTRATIVE INVESTMENTS RECOMMENDED BY GIVING FUND CLIENTS

Project Scientist increases the number of girls and women in science, technology, engineering & math (STEM) education programs and careers.

Alter Eco Foods improves the quality of life for smallholder farmers while integrating sustainability into every aspect of the supply chain.



Photo provided by: Project Scientist



Photo provided by: Alter Eco Foods

HOW IT WORKS

- 1 INVESTMENT STRUCTURE**
The Giving Fund enables donors to choose investments outside of The Giving Fund investment platforms. Donors must self-identify, perform due diligence and agree on an investment structure with the organization a donor wishes to invest in prior to recommending the investment.

- 2 RECOMMENDATION FORM**
Sign the ImpactAssets Custom Investment Recommendation Form.

- 3 AVAILABLE ACCOUNT ASSETS**
Ensure that there are adequate funds in your donor advised fund to cover the investment, fees and taxes (if applicable).

REQUIRED DOCUMENTS FROM INVESTEEES

- Cover Sheet
- Business Deck
- Social Impact Statement (if not included in business deck)
- Financials (3 years historical and 5 years pro forma)
- Execution-Ready Investment Documents

Please note that it takes a minimum of 10 business days to process investments once all materials listed above have been received. Investees with brief operating histories may be asked to complete a background check process. ImpactAssets retains ultimate discretion to approve or decline an investment recommendation.

FEES	
MINIMUM INVESTMENT	\$25,000
INVESTMENT ADMINISTRATION FEES	<ul style="list-style-type: none"> • First \$100,000: 0.80% • Next \$100,000: 0.60% • Over \$200,000: 0.40% <p>Fees are calculated on investment asset balance and tiered per investment. A minimum \$400 annual investment administration fee applies per investment</p>
ADDITIONAL FEES FOR INDIVIDUAL CUSTOM INVESTMENTS UNDER \$100,000	<ul style="list-style-type: none"> • Set up fee \$500 • Conversion, exit, workout or renewal fee \$500 (a simple pay down of a debt instrument does not incur an additional fee)