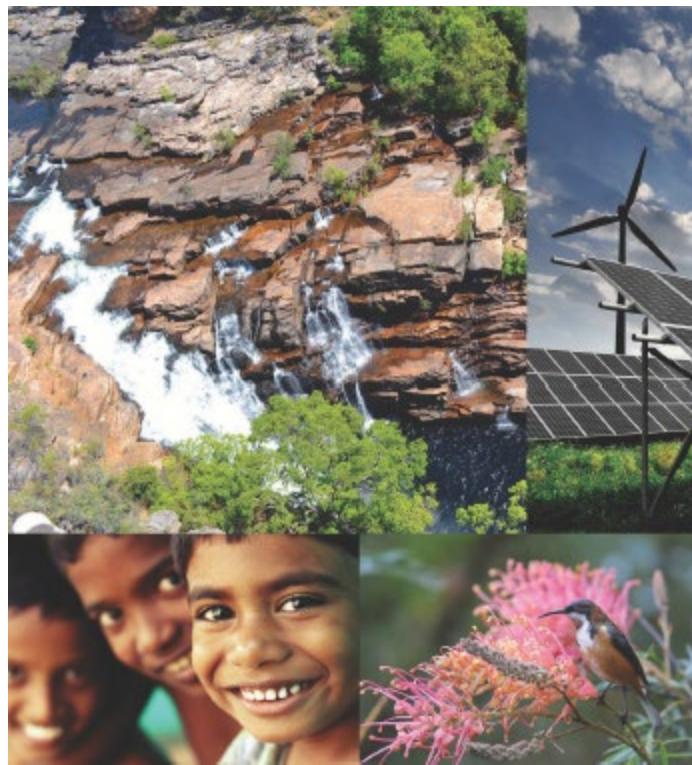




ACHIEVING MAXIMUM ENVIRONMENTAL & SOCIAL IMPACT

The idea of a charitable foundation is to set aside a tax-deductible corpus of money, have it invested wisely, and make donations to eligible recipients each year.

Setting up a Giving Fund with the Community Impact Foundation is a little like having your own charitable foundation.

COMMUNITY IMPACT FOUNDATION

Making Giving Easy

Setting up a Giving Fund with Ethinvest's Community Impact Foundation (CIF) allows you to focus on the organisations and causes you want to support, while the Trustee focuses on the administration and governance.

Every member (or donor) has their own Giving Fund with the CIF – with the minimum initial tax-deductible gift being \$50,000. Your Giving Fund can be built up over time through additional donations (subject to a minimum of \$5,000) and any accumulated investment returns. Family and friends can also make tax deductible donations to your Giving Fund.

Once your Giving Fund is established, funds are pooled with other Giving Funds to form a corpus. Income and capital gains/ losses on this corpus are distributed pro-rata to each Giving Fund. These returns may help increase your Giving Fund balance in time.

The administration, investment management and governance activities are all overseen by the Trustee of the Community Impact Foundation.

The CIF donates 4% (or more) of the closing fund value each financial year to charities (all of which must have tax deductible gift recipient status, DGR Item 1). Each Giving Fund is able to make recommendations to the Trustee about which charities should receive their share of the giving pool.

Giving Funds can be started by individuals, couples or families, and provisions can be made as to who will be responsible for looking after the Giving Fund beyond the lifetime of the original donors.

Key advantages of a public ancillary fund

As a public ancillary fund, the Community Impact Foundation delivers the advantages of alternative philanthropic structures while reducing associated administrative and cost burdens. The key advantages of a Giving Fund with the Community Impact Foundation include:

- The minimum of \$50,000 to establish a Giving Fund is substantially less than required to establish other philanthropic structures.
- It costs nothing to establish your Giving Fund and the only ongoing fee is 1.025% per annum (including GST) of funds under management, which is paid to Ethinvest. This fee covers all aspects of compliance, investment management and audit costs.
- Your Giving Fund is simpler, less time consuming and more cost effective to establish and participate in than other philanthropic structures. The trustee handles the administration, investment and legal compliance – freeing up donors to solely focus on grant making.
- While Giving Funds operate separately within the foundation, individual funds are pooled together, benefiting from being part of a larger investment vehicle
- You can name your Giving Fund and be identified with it as your vehicle for your charitable giving, or you can choose to be anonymous.
- You and your family can be involved in the grant making decisions of your Giving Fund.
- Your Giving Fund, and its legacy, can continue long after you have passed away.
- The corpus of your Giving Fund is invested using ethical and impact investment strategies, to complement and extend the good work of your giving.

Making grants

Each year you can request to recommend to the Trustee the eligible organisations your 4% proportionate share should be donated to. The minimum donation is \$1,000 per charity. You can ask the Trustee to grant more than the 4% minimum in any year if you wish.

The Trustee of the Community Impact Foundation welcomes and actively encourages donor involvement in identifying causes and organisations to be supported by grants. Expert assistance and specialist grant-making advice is also available. However, donors should note that under trust and tax law the final grant decisions ultimately rest with the Trustee.

Online Access

Once you have established a Giving Fund you will be given online access to a variety of information to help you keep track of your activities. This will include the monthly value of your Giving Fund, listing of donations and grants, investment reports, annual audited accounts and various other useful reference materials.

Portability

The Public Ancillary Fund Guidelines 2011 allow, in certain circumstances and with the approval of the Trustee and the Australian Tax Office:

- The transfer of assets between Public Ancillary Funds
- The transfer of the balance of a Public Ancillary Fund Giving Fund into your own PAF
- The transfer of a PAF into your own Public Ancillary Fund Giving Fund

Estate Planning

A Giving Fund can continue past your lifetime. You can nominate a successor to take over grant nominations after your death. Alternatively, if you do not want to pass this responsibility to family or friends, you can leave a statement of wishes with the Trustee, Australian Impact Investments Pty Ltd, to continue your granting program.

You can also use your will to direct additional money to your Giving Fund. A correctly constructed Will clause will ensure that leaving a gift to your Giving Fund is a smooth process. It is important that the will clause is worded carefully to help avoid unintended tax implications. Please contact us if you would like more information.

Investment Criteria

All money is invested fossil fuel free, with no armaments, old growth logging, nuclear, child labour or animal testing. Instead, the portfolio includes investments in positive activities such as renewable energy, healthcare, recycling, social infrastructure, and social benefit bonds.

The full investment strategy document is available on request.

Key Details

Name of Fund	Community Impact Foundation
ABN	43 260 612 561
Trustee	CIF Services Pty Ltd 661 007 638
ATO Status	Deductible Gift Recipient (DGR) Item 2 – Public Ancillary Fund; Income Tax Exempt
Governance	The Foundation is subject to the 2011 Public Ancillary Funds Guidelines and NSW Trusts Law
Minimum initial amount	\$50,000 is required to open a Giving Fund
Additional amounts	\$5,000 is the minimum required for additions to your Giving Fund
Naming your Giving Fund	Each donor may choose a name for their Giving Fund and grants to charities will refer to this name
Fees	1.025% per annum (including GST) of funds under management
Investment Objective	To achieve a return after fees at least equal to CPI inflation + 4% per annum, measured over rolling 10-year periods
Grants to Charities	Grants can be made to organisations with DGR 1 status. The minimum grant to a charity is \$1,000
Estate Planning	You can nominate a successor to make grant requests after your death, or leave a statement of wishes with the Trustee
Investment Manager	Ethinvest Pty Ltd ABN 53 003 843 874 AFSL 223718
Administrator	Portfolio Guardian

This publication is intended as a guide only.

The Community Impact Foundation is registered as a Public Ancillary Fund by the Australian Taxation Office and endorsed by the Australian Charities and Not-for-profits Commission as a charitable institution.

