

## at a glance» MORGAN STANLEY SMITH BARNEY GLOBAL IMPACT FUNDING TRUST



As a society, many of us are increasingly recognizing the important role philanthropy plays in helping to address the challenges faced by our communities—especially during one of the most difficult economic times in our history.

Charitable gifting strategies such as the Morgan Stanley Smith Barney Global Impact Funding Trust and its donor advised fund help make it simple to meet philanthropic objectives. This program helps you to donate to charities of your choice and remain actively involved in the giving process. Your donations are invested professionally and prudently, while we help you identify suitable organizations, geographic initiatives and advise you on making your charitable strategies even more effective.

### WHAT IS A DONOR ADVISED FUND?

A donor-advised fund is a charitable giving vehicle administered by a third party and created for the purpose of managing charitable donations on behalf of an organization, family, or individual. A donor-advised fund offers the opportunity to create an easy-to-establish, low cost, flexible vehicle for charitable giving as an alternative to direct giving or creating a private foundation. Donors enjoy administrative convenience, cost savings and tax advantages by conducting their grantmaking through the fund.<sup>1</sup>

### WHAT IS THE MORGAN STANLEY SMITH BARNEY GLOBAL IMPACT FUNDING TRUST?

Morgan Stanley Smith Barney GIFT is a donor-advised fund open to individuals, families, groups of friends, partnerships, corporations, trusts and estates. In return for an irrevocable and nonrefundable contribution, the donor may receive numerous tax benefits and the right to advise the administrator as to which charities should receive grants.

The Global Impact Funding Trust, Inc. owns the assets contributed, thus allowing donors to receive a federal income-tax deduction for their contributions. As a qualified public charity, income tax deductions are allowed to the extent permitted by law.

### HOW DOES IT WORK?

By donating to Morgan Stanley Smith Barney GIFT, you can recommend grants to qualified domestic charities. Once your grant request is approved, Morgan Stanley Smith Barney GIFT will redeem units from your account and send the proceeds to the recommended organization, along with a letter acknowledging you as the donor (unless you request anonymity).

You can recommend grants online, or by directing your Financial Advisor to do so on your behalf. Keep in mind that you can contribute to Morgan Stanley Smith Barney GIFT now and make grants later. Donors have access to a database of qualified nonprofit organizations in the U.S., which can be used to identify the missions of various charities and get information on making grants.

All grant recommendations will be reviewed by the Board of Directors of Global Impact Funding Trust, Inc. and staff designated by the Board. Each recipient organization recommended will be subject to a review of the organization's tax-exempt status. If a grant recommendation does not receive approval, Morgan Stanley Smith Barney GIFT will notify the donor-advisor and ask for an alternative grant recommendation.

Other key features to note include:

- Morgan Stanley Smith Barney Global Impact Funding Trust, Inc. is a nonprofit corporation organized under Maryland

<sup>1</sup> National Philanthropic Trust, "Philanthropy Statistics," 2007

law and governed by a board composed of a majority of independent members.

- Donations are invested by Consulting Group, the managed account unit of Morgan Stanley Smith Barney. Assets are invested in a program known as Select UMA, a unified managed account platform that combines separately managed accounts, mutual funds and exchange traded funds in a prudently diversified, cost-effective portfolio.
- Morgan Stanley Smith Barney GIFT Inc. is a tax-exempt public charity under Internal Revenue Code sections 501(c)(3) and 509(a), so that contributions to the Fund are tax-deductible as gifts to a public charity (up to 50% of donor's adjusted gross income for cash gift and 30% for a gift of long-term appreciated securities with a five-year carry forward).\*
- The Trust is registered to solicit for charitable contributions in all states.

\* Only U.S. taxpayers who itemize may realize an income tax deduction for contributions to the Fund.

Now is the time to review the advantages of the Morgan Stanley Smith Barney Global Impact Funding Trust

For more information, speak to your Financial Advisor. Ask your Financial Advisor for a copy of our brochure "Imagine the Possibilities: An Easier Way to Fund Your Giving"

Visit our website for additional information: [www.smithbarney.com/products\\_services/philanthropy](http://www.smithbarney.com/products_services/philanthropy)

## ELEVEN KEY ADVANTAGES OF GIFT

Morgan Stanley Smith Barney Global Impact Funding Trust helps you:

1. Establish a long-term charitable giving strategy;
2. Potentially receive Federal charitable income tax deductions to the extent permitted by law;
3. Be free from capital gains tax on the contribution of appreciated securities;
4. Reduce your estate tax liabilities;
5. Select grant recipients and grant amounts;
6. Receive professional investment advice on your charitable gifts;
7. Allow for succession planning so family members and others can continue your philanthropic legacy;
8. Designate the amount you wish to give, not subject to the Federally-mandated 5% distribution rule for private foundations or endowments;
9. Establish recurring grants through online access and decide whether you want to be recognized or remain anonymous for your donations;
10. Contribute cash, securities and other illiquid and intangible assets including s-corporations, real estate, art and other investments;
11. Eliminate the administration and cost burdens of establishing and maintaining a private foundation.

The Morgan Stanley Smith Barney Global Impact Funding Trust, Inc. ("MSSB GIFT, Inc.") is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended and exempt from federal income tax pursuant to Section 501(a) of the Code. The Morgan Stanley Smith Barney Global Impact Funding Trust ("MSSB GIFT") is a donor-advised fund. Morgan Stanley Smith Barney LLC provides investment management and administrative services to MSSB GIFT.

While Morgan Stanley Smith Barney LLC believes that MSSB GIFT represents a valuable philanthropic opportunity, MSSB GIFT may not be appropriate for everyone. The Donor Circular & Disclosure Statement describes the risks, fees and expenses associated with establishing and maintaining a MSSB GIFT account. Read it carefully before contributing.

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