DONOR-ADVISED FUND
FREQUENTLY ASKED QUESTIONS
THE CATHOLIC CHARITIES USA DONOR-ADVISED FUND

Frequently Asked Questions

The Catholic Charities USA Donor-Advised Fund (DAF) is a donor-friendly giving tool that enables you to support organizations whose mission is consistent with your Catholic faith while becoming eligible for immediate federal tax benefits. Liquid funds in your DAF will be invested in socially responsible investments based on Catholic Social Teaching until grants are made from your DAF to an approved organization.

Catholic Charities

Catholic Charities is a national ministry of the Catholic Church that serves nearly 10 million people annually who live in poverty or are members of vulnerable populations across the United States and its territories regardless of their faith. Our ministry includes 2,600 sites, 57,000 employees and 287,000 volunteers.

Our Commitment:
To alleviate, reduce and prevent poverty.

Our Mission:
To provide service to people in need, to advocate for justice in social structures and to call the entire church and other people of good will to do the same.

Our Vision:
We labor in the streets inviting and serving those who have been left out to know and experience the tremendous and abundant love of God through Jesus Christ. We commit ourselves to break down the walls of division that keep sisters and brothers separated from one another, excluded, or rendered disposable by our society. With joy, we resolve to build bridges of hope, mercy and justice toward the creation of a culture of communal care responsive to the cries of those who are poor.

Our Efforts:
Examples of the impact of Catholic Charities include the following: Through the efforts of Catholic Charities, 80,000 school aged-children are fed by a summer lunch program at 650 sites, 433,500 immigrants and refugees are served through case management, nearly 1,000 individuals are employed by 47 active social enterprises, over 30,000 units of affordable housing are provided and 228,000 people of all ages receive various types of housing assistance, our disaster services team helps thousands of victims of natural disasters every year, and 50,000 advocates engage in issues important to Catholic Charities and the people we serve. We provide financial literacy training, asset building education and much more. We bring hope to individuals and families who are desperately in need. People across the United States and its territories know that when they need help, Catholic Charities is there to help them.

CCUSA:
The DAF’s sponsor, Catholic Charities USA (CCUSA), is a 501(c)(3) and 509(a)(1) public charity under the Internal Revenue Code of 1986 that serves as the national office for 167 Catholic Charities agencies. For over 100 years, CCUSA and its member agencies have worked to love our neighbors who struggle as they live under the weight of poverty in this rich nation.
The Donor-Advised Fund

The CCUSA DAF is a charitable gift account that allows you to recommend grants to your favorite charities over time while enjoying immediate tax benefits by fully deducting your contributions in the year they are made. Unused tax deductions may be carried forward for up to five additional years. Accounts may be established with cash, securities and other noncash assets such as real estate and restricted or privately held shares, subject to the approval of CCUSA. While you no longer control the funds once they are donated to the DAF, you have the right to advise CCUSA as to which organizations you would like to receive grants from your account, in what amounts and when. You can name your account (e.g. the Smith Family Charitable Giving Account) and name successor advisors, such as your children, who can carry on your charitable legacy beyond your lifetime. At the same time, you will be supporting organizations whose mission is consistent with your faith.

What are other benefits of opening a CCUSA DAF Account?

- It is easy to open your CCUSA DAF account and streamline your charitable giving.
- You gain eligibility for an immediate federal income tax deduction at the time the gift is made while enjoying the flexibility to recommend support for the charities you care about on your own timeline.
- The full fair market value of appreciated assets such as appreciated securities and complex assets such as real estate and partnership interests can be deducted from your taxable income and you may avoid capital gains liability, which enables you to increase your giving ability.
- You may name successor advisers so that your charitable legacy extends beyond your lifetime and creates a culture of giving across generations in your family.
- The CCUSA DAF has a minimum initial contribution of $2,500, which is lower than many other donor-advised funds.
- Your contributions are invested in one or more socially responsible investment funds under the professional management of UBS, enabling your contributions to compound tax-free over time and expanding your ability to make more grants in the future.
- Your DAF account can be used for future gifts to the charities you support.
- You will receive a consolidated quarterly report that shows all your contributions and all grants made from your account in one report.
- You will enjoy easy online access to manage all aspects of your charitable giving, including donations and recommended grant-making. You can support the charities you like while we coordinate all the grants.
- You can choose to have grants from your account be made anonymously.
- Your account will be protected through a secure password system that only you and your designated advisor(s) have access to. You will be able to view your account details online.
- You will receive personalized customer service. CCUSA will endeavor to learn what areas are of greatest interest or concern to you, such as affordable housing, children's services or integrated health and nutrition. CCUSA can support you in identifying charities that align with your charitable goals.
- You can use your account to help provide services to vulnerable populations and persons in need.

Do I retain control over the assets I donate?

The Internal Revenue Service has determined that in order for you to take the full federal income tax deduction in the year of the donation, the donor must relinquish all control of the donated assets to CCUSA and the donation is irrevocable. However, all donors in the CCUSA DAF will be able to recommend grantees and grant amounts from the donor's account.

1 CCUSA and Catholic Charities do not provide legal or financial advice. Donors who are considering making a contribution to the Catholic Charities USA Donor-Advised Fund should consult with independent legal and financial advisors of their own choosing prior to making a contribution.
**Who is an eligible donor?**
The CCUSA DAF will accept contributions from individuals, companies, trusts and estates. We will also accept contributions from other donor advised funds and private foundations, although such donations may not be tax deductible. You should consult your tax advisor for more information.

**Who is eligible to receive a grant from my DAF Account?**
The Internal Revenue Service allows grants to charitable organizations that are tax-exempt under Section 501(c)(3) of the Internal Revenue Code and to certain private foundations under Section 509(a) of the Code. Qualifying organizations whose mission is not in violation of the principles of Catholic Social Teaching are eligible. Many established Catholic organizations and educational institutions are not listed as 501(c)(3) nonprofits, but still qualify as tax-exempt charitable organizations that are eligible to receive grants from a donor-advised fund. A list of pre-approved grantees may be found here.

CCUSA will review all grant requests to determine whether they comply with applicable law and whether the potential grantee's mission makes it eligible. It is desired that at least ten percent (10%) of the annual grant amount be directed toward services provided by Catholic Charities.

Grants are made by checks bearing the name of the Catholic Charities USA DAF account together with a letter that references the account name and the donor’s name and any special acknowledgement (such as for in memorium or tribute gifts), or the grants may be made anonymously at your request.

Grants cannot be made to individuals, political candidates or parties, private non-operating foundations, Type III supporting organizations or any other entity prohibited by the IRS and grants cannot be used to satisfy a pre-existing pledge. Also, dues, tuition, membership fees and goods purchased at a charitable auction may not be eligible. Please consult your tax advisor.

**What are the core elements of the CCUSA DAF?**

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<tr>
<th><strong>Minimum Amount to Open DAF Account</strong></th>
<th>The minimum amount required to open a DAF account is $2,500.</th>
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<tbody>
<tr>
<td><strong>Additional Contributions</strong></td>
<td>Additional contributions must be at least $1,000 and can be made at any time.</td>
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<tr>
<td><strong>Minimum Balance</strong></td>
<td>Accounts may not have less than $1.00 at any time until the account is closed.</td>
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<tr>
<td><strong>Minimum Grant Amount</strong></td>
<td>The minimum grant amount is $250.</td>
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<td><strong>Number of Grants</strong></td>
<td>Donors may make unlimited grants from an account.</td>
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<td><strong>Allocating Grants</strong></td>
<td>Funds will be divested in a manner that maintains the current portfolio allocation.</td>
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<td><strong>Duration of Fund</strong></td>
<td>There is no outside date or term limit. If an account has no grant or contribution activity for three consecutive years, then CCUSA will make reasonable attempts to contact the donor or named successor advisor. If CCUSA is unable to contact the donor or named successor, then CCUSA will direct grants from the account to one or more Catholic Charities member agencies to support programs in areas in which the donor has expressed an interest.</td>
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<tr>
<td><strong>Complex Assets</strong></td>
<td>Donor must have a sufficient account balance to cover the costs associated with liquidating complex assets and there will be an additional processing fee. Contributions of complex assets must first be approved by CCUSA.</td>
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What are the Investment Options?
You may recommend that your contribution be allocated among the DAF’s separate investment funds (“Investment Funds”), each of which is professionally managed by third parties according to different investment objectives. The Investment Funds consist solely of CCUSA DAF assets. The Investment Funds invest their assets in registered investment companies to meet their investment objectives. The CCUSA DAF will maintain a subaccount (“Donor Account”) that will reflect your contribution to the DAF, your Donor Account’s share of investment returns and grant activity. You will receive a Donor Account statement quarterly. Currently, the CCUSA DAF offers investments in the funds listed below. Each fund meets the requirements set by the United States Conference of Catholic Bishops (USCCB) for socially responsible investing (“SRI”) consistent with Catholic Social Teaching. You will have the ability to design your own investment strategy for the assets in your DAF account by allocating amounts across the following funds:

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<tr>
<th>SRI Investment Fund</th>
<th>Objective</th>
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<td>“Catholic Charities DAF Cash Management Fund”</td>
<td>Appropriate for investors who seek minimal risk and a desire to preserve capital.</td>
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<tr>
<td>“Catholic Charities DAF Income Fund”</td>
<td>Appropriate for investors who are generally risk averse, yet are willing to accept some degree of risk to achieve low to moderate appreciation potential.</td>
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<tr>
<td>“Catholic Charities DAF Income and Growth Fund”</td>
<td>Appropriate for donors who are seeking a total return comprised of both income and capital appreciation and who are willing to accept a moderate degree of volatility in their returns.</td>
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<tr>
<td>“Catholic Charities DAF Income Growth Fund”</td>
<td>Appropriate for donors who are seeking long-term growth. Donors who select this fund should be willing to accept a high degree of volatility in their returns.</td>
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What are the Fees and Expenses?
The CCUSA DAF charges an administrative fee equal to 1.00% of the account balance. CCUSA reviews and approves the administrative fee periodically and may adjust it from time to time. The CCUSA DAF operates on a June 30 fiscal year basis. Fees are based on an average daily fund balance and are withdrawn from the fund on a quarterly basis. Administrative fees do not include underlying investment fees, asset custody fees, fund unitization or online access. DAFs being funded with real estate and/or non-publicly traded securities, and other intangible or personal property, will be funded net of expenses and administrative fees related to accepting and liquidating such assets.

What reports will I receive?
You will be provided with online quarterly statements by RenPSG that show your account balances and activity for the prior period. Hard copies of quarterly statements are available upon written request. In addition, you will have online access to your account information at any time. You should consult with a tax advisor to determine deductibility for any publicly-traded securities that you have donated.

How do I open an account and make additional contributions?
To open an account or make an additional contribution, simply complete the forms provided at the end of these FAQs or visit ccusa.donorfirstx.com. The minimum amount required to open a CCUSA DAF account is $2,500 and additional contributions must be at least $1,000. Note that donations of complex assets have additional rules and restrictions. If you have questions about the forms, please call the CCUSA at 703-236-6259.
How do I make Grants?
You may recommend charitable organizations to which grants will be made from your account by submitting a Grant Recommendation Form, a copy of which can be found at the end of these FAQs or by visiting ccusa.donorfirsttx.com. Grant recommendations are subject to approval by CCUSA. The minimum grant amount is $250.

Contact Information

Sponsor
Catholic Charities USA
2050 Ballenger Avenue, Suite 400
Alexandria, VA 22314
Attn: Chief Development Officer
Anthony Sciacca
asciacca@CatholicCharitiesUSA.org
Tel: 703-236-6259

Administrator
Catholic Charities USA
c/o RenPSG
8910 Purdue Rd., Suite 500
Indianapolis, IN 46268

Investment Advisor
UBS Financial Services Inc.
64 Willow Place, Suite 200
Menlo Park, CA 94025
Tel: 800-544-6611

Other Disclosures
The terms of the CCUSA DAF shall at all times be interpreted consistent with applicable rules, regulations and laws.

The donor acknowledges having read the initial Donor-Advised Fund Frequently Asked Questions (FAQ) and agrees to the terms and conditions set forth in the FAQ. The capacity as a Grant Advisor is advisory in nature and CCUSA has the sole and exclusive authority and discretion to invest and disburse the property transferred.