



BRADLEY
IMPACT FUND®
PRINCIPLED PHILANTHROPY



THE BRADLEY IMPACT FUND: YOUR ESTATE PLANNING PARTNER

Shared Principles. Secure Intent. Flexible Options.



Many organizations honor donor intent as one priority among many. For the Bradley Impact Fund, **it's our mission.**

NOTE: This document is intended for informational purposes only and should not be considered official legal or financial advice. We encourage you to speak with your estate advisors about the ideas shared here to learn more about how the Bradley Impact Fund might fit into your specific plans. We are also happy to connect you to our own expert legacy planning team for a conversation if that is of interest.



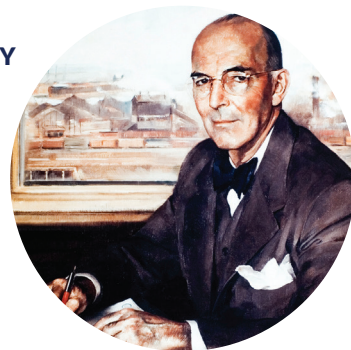
ABOUT BRADLEY IMPACT FUND

Founded in 2013, the Bradley Impact Fund is a donor-advised fund with a mission to serve as philanthropic advisors who educate, empower, and inspire donors to advance our common principles through high-impact giving and the protection of donor intent.

The Impact Fund works in close partnership with the Wisconsin-based Lynde and Harry Bradley Foundation, which has worked for over four decades to restore, strengthen, and protect America's founding principles and institutions. The Impact Fund builds on this work by providing services and expertise to like-minded philanthropists seeking a vehicle for their own informed, effective conservative philanthropy.

"The most important security we can have as human beings is the dignity of personal independence. Moreover, this is not a mere expression of sentiment. Personal independence is not a sentiment. It is a power cut loose."

— HARRY
BRADLEY



GUIDING PRINCIPLES

➤ *Fidelity to the Constitution, with its principles of limited government, federalism, separation of powers, and individual liberties*

The Bradley Impact Fund believes that the political system envisioned by America's founders is unique, extraordinary, and must be preserved "to secure the blessings of liberty to ourselves and our posterity" and to give American citizens room to solve problems effectively on their own. The Impact Fund stands firmly opposed to forces that would wrest control from individual citizens and instead vest authority in government, especially the national government. The Impact Fund community also seeks to promote understanding of and respect for America's democratic system and republican institutions; to support federalism; to uphold the rule of law; to protect the nation's legal system from efforts to circumvent the Constitutional order; to defend the rights of all individuals to political engagement in accordance with the rule of law; and to protect the basic liberties outlined in the Bill of Rights, including the freedom of speech and freedom of religion.

➤ *Commitment to free markets that allow for private enterprise, entrepreneurship, and voluntary exchange within the rule of law*

The Bradley Impact Fund believes that a free enterprise system will foster a prosperous economy that improves the prospects of a good life for all citizens. The Bradley brothers owed much of their success to a free enterprise system, and the Impact Fund works to ensure that this opportunity is available to future generations. The Impact Fund's donors and grant recipients thus combat efforts to undermine economic freedom and support organizations and projects that conduct research and educate the public and policymakers about the conditions necessary for economic growth and prosperity.

► *Commitment to the fundamental institutions of civil society that cultivate individuals capable of self-governance*

America has thrived because of the exceptional strength and vitality of its traditional, local institutions—families, schools, churches, neighborhoods, voluntary associations, and arts and cultural institutions—which cultivate personal character, strengthen community bonds, and encourage genuine citizenship. The Bradley Impact Fund believes that these are the institutions most able and likely to guide behaviors, transform lives, and support a free society that is culturally vibrant and intellectually vigorous.

► *Dedication to the formation of informed and capable citizens*

The Bradley Impact Fund recognizes that our liberties are secure and will endure only insofar as Americans value and uphold the principles and institutions of American exceptionalism. Therefore, the Impact Fund supports educational efforts to give citizens the character, habits, and knowledge needed to succeed in a free society, and seeks to educate citizens as to the principles, restraint, and institutions that are the basis for such freedoms.

► *Protection of donor intent*

The Bradley Impact Fund believes that a donation is an expression of trust between a donor and recipient and takes the responsibility for safeguarding that trust very seriously. Honoring the legacy of The Bradley Foundation's founders, Lynde and Harry Bradley, has been part of the Foundation's mission since its inception, and the Foundation seeks not only to continue the brothers' support for organizations in their cherished hometown of Milwaukee, but also to advance their lifelong goal to preserve an American free enterprise system able to ensure prosperity for generations to come. The Bradley Impact Fund seeks to uphold the intentions of its donors in the same manner by offering donors the planning, tools, and support they need to secure their legacy, and by ensuring that their charitable giving supports only those ideas, policies, and organizations that align with our common principles during their lifetime and beyond.



PLAN AHEAD TO GET AHEAD

In 1977 Henry Ford’s grandson, Henry Ford II, resigned from the board of the Ford Foundation after years of frustration with grants to progressive organizations. He wrote the following: “The [Ford] Foundation is a creature of capitalism, a statement that, I’m sure, would be shocking to many professional staff people in the field of philanthropy. It is hard to discern recognition of this fact in anything the foundation does.”

Henry Ford’s enduring philanthropic legacy is not one of championing the free enterprise system or even his hometown of Detroit—did you know the Ford Foundation’s headquarters is in midtown Manhattan?

The story of the Ford Foundation and countless other philanthropists is why donor intent is such a pressing issue for principled donors.

When you leave your charitable giving to chance, history teaches us that, odds are, things won’t turn out as you’d intended. Securing donor intent takes time. It takes intentionality. It takes people you can trust who share your values. It also takes flexibility to apply your intent in new ways as circumstances or organizations change.

The Bradley Impact Fund is here to help.

Preserving the integrity of your philanthropic vision is our priority. That’s why clarifying, refining, and documenting your donor intent is the first, most important step in the process of opening a Donor-Advised Account at the Bradley Impact Fund.

We also understand the importance of ensuring that your charitable giving supports only those ideas, policies, and organizations that align with your principles, both during your lifetime and beyond. Our staff’s regular examination of grantees and potential grantees ensures that organizations you have supported in the past do not begin to drift away from the mission you support without your knowledge.

Honoring the legacy of The Lynde and Harry Bradley Foundation's founders, brothers Lynde and Harry Bradley, has been part of the Foundation's mission since its inception. The Foundation seeks not only to continue the brothers' support for organizations in their community, but also to advance their lifelong goal to preserve an American free enterprise system able to ensure prosperity for generations to come.

The Bradley Impact Fund seeks to uphold the intentions of its donors in the same manner by offering them planning, tools, and support they need to secure their legacy.

"Tomorrow as today, and today as yesterday, it is seekers of knowledge who lead people to the prosperity of freedom, no matter what the ambitions of a departed Stalin, or a future Khrushchev."

— HARRY BRADLEY



About the Bradley Brothers

In 1903, Lynde and Harry Bradley established a new business in Milwaukee, Wisconsin. Their business grew to become the internationally-recognized Allen-Bradley Company. When the Allen-Bradley Company was acquired by Rockwell International Corporation in 1985, a significant portion of the proceeds was contributed to The Lynde and Harry Bradley Foundation. Since its founding, the Foundation has sought to preserve and extend the values and institutions that were essential to the Bradleys' success, including America's traditions of representative government and private enterprise that enable the American nation to flourish intellectually and economically.

The Bradley brothers lived and worked according to several philosophical principles. They believed in the dignity and decency of each person and celebrated both the individual and community. They valued principled individuals who developed grit and self-reliance by taking risks, making the most of educational opportunities, and working hard. They believed in robust social networks where co-workers and neighbors supported one another, and they believed that a good society is a free society. Only in an environment of political and economic freedom could individuals develop fully their talents, their skills, and their intellects and so contribute to the improvement of the human condition.

The Bradley Foundation honors the Bradley brothers today through its sustained commitment to supporting vibrant community life in Milwaukee and southeastern Wisconsin, as well as through its support for efforts across the country that protect and promote the ideas and institutions that made the Bradleys' success possible.

DONOR-ADVISED FUNDS: A SMART ESTATE OPTION

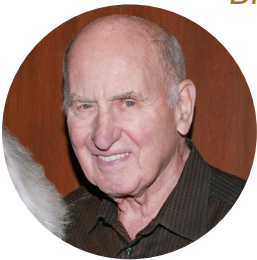
Donor-advised funds are nonprofit organizations that can receive donations and then distribute the donations over time to other qualified nonprofit organizations.

The Bradley Impact Fund operates as a nonprofit donor-advised fund. With a minimum contribution, donors have the option to establish a **Donor-Advised Account**, which, as a donor-advised fund, enables the donor's chosen advisor to direct gifts to charities, subject to approval by the Bradley Impact Fund Board. Or, donors can give to the **Bradley**

Partnership Fund or **issue-specific giving funds** such as our Informed Citizens Fund or the Free Markets Fund. The Board pools contributions from multiple donors and strategically distributes the funds to nonprofit organizations that advance the Fund's mission.

"You worked hard to make the money, and you've got to work hard to make sure you're investing properly in philanthropy. I think the

Bradley Impact Fund can be a major help in this area."



— **JACK MILLER**
Member, BRADLEY
IMPACT FUND

Using a donor-advised fund such as the Bradley Impact Fund as part of your estate planning strategy can be a flexible, convenient, and cost-effective option for many donors. We encourage you to speak with your advisors about how such a vehicle could help streamline your legacy planning.



A Principled Partner

The Bradley Impact Fund has a firm commitment to advancing its guiding principles—principles we share in common with members of our community. We stand alongside you and your family to help ensure that your charitable giving supports only those ideas, policies, and organizations that align with your principles and the Bradley Impact Fund’s mission, both during your lifetime and beyond. Our staff’s regular examination of grantees and potential grantees also ensures that organizations you have supported in the past do not begin to drift away from the mission you support without your knowledge.

With the Bradley Impact Fund, you can access:

- ▶ **Active account monitoring and grant recipient accountability** to ensure continued quality and mission focus
- ▶ **A trusted, principles-aligned third party** to uphold gift agreements and preserve donor intent, both during your lifetime and beyond
- ▶ **Ability to appoint successor advisors and direct giving after your lifetime** while ensuring that safeguards and accountability measures are in place to honor your intent
- ▶ **Ability to maintain privacy and anonymity** with your giving as desired
- ▶ **An engaged, supportive donor community** that shares your values

SCENARIO A:

A donor leaves a \$1 million bequest gift to her alma mater to start a scholarship fund for girls to the school she was deeply devoted to during her lifetime. After a few years, however, leadership at the organization changes, and it begins to drift from its original mission. The scholarship fund bears the donor’s name, but now supports students who are learning things in their classrooms that are directly contrary to the donor’s values. Unless the donor’s family decides to challenge the gift or there were other intent enforcements in place that can be leveraged to get the bequest gift back from the school, the donor’s gift will continue to support a cause that now undermines the very things she cared about during her lifetime.

SCENARIO B:

A donor wishes to leave a gift to her alma mater to establish a scholarship fund for girls, but instead of making the gift directly to the school, she chooses to make the gift to the Bradley Impact Fund, with instructions to release a certain amount to the school each year as long as it stays on mission and gift conditions are met. After a few years, leadership at the organization changes, and it begins to drift from its original mission. Observing this, Bradley Impact Fund leaders engage with the school’s leaders to inquire further about what is being taught in the classrooms and discern that support for the school no longer aligns with the donor’s intent. After speaking with the school’s officials and striving for a successful resolution to the issue, unfortunately the school is unable to honor the donor’s intent. Accordingly, as they’d discussed and agreed on with the donor prior to her passing, instead of continuing to give the money to the original school, they direct the scholarship funding toward another school that more directly furthers the donor’s philanthropic intent.



CONVENIENCE AND FLEXIBILITY

Tax Advantages

Including a donor-advised fund in your estate plan toolkit can have many tax advantages for you and your heirs, enabling you to devote more of your hard-earned wealth to giving, not to the government.

- A gift to a donor-advised fund is **fully deductible against the federal estate tax**.
- Accounts generally **grow tax-free**.
- As with a gift to any public charity, contributions to a donor-advised fund deliver **an immediate income tax deduction** in the year of the contribution and a potential reduction of the Alternative Minimum Tax.
- Leaving some gifts, such as retirement accounts, to a donor-advised fund enables the donor to **avoid both income and estate taxes, so there's more left to give**.

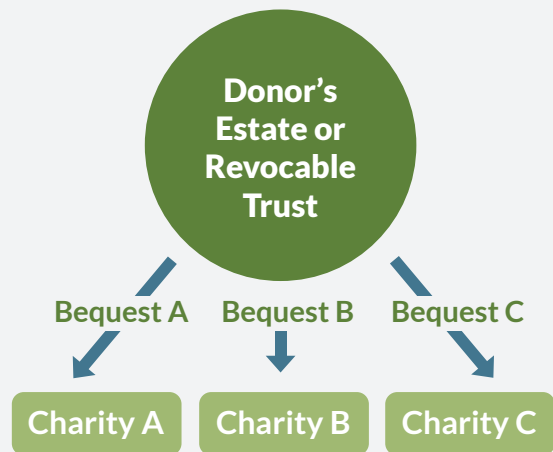
TO GIVE AWAY MONEY IS AN EASY MATTER AND IN ANY MAN'S POWER. BUT TO DECIDE TO WHOM TO GIVE IT AND HOW LARGE AND WHEN, AND FOR WHAT PURPOSE AND HOW, IS NEITHER IN EVERY MAN'S POWER NOR AN EASY MATTER.

— ARISTOTLE

Flexibility

Using a donor-advised fund as part of your estate planning gives you the option to shift beneficiaries or gift amounts, change your giving timeline, or add additional organizations to your estate plan—all without changing vehicles or going back and forth with estate attorneys. Donor-advised funds are also well-equipped to accept complex assets such as closely-held stock, real estate, or private equity funds. Instead of giving such a gift directly to a small nonprofit that may not have the ability to maximize the gift, a donor-advised fund can hold or sell the asset to maximize its value and make the gift to the recipient organization.

Traditional Estate Gifts

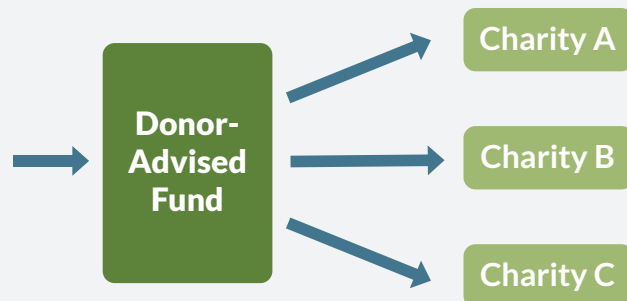


Using a Donor-Advised Fund to Organize and Manage Legacy Gifts

With a donor-advised fund, it's easy to change designated charities without going back and forth with multiple organizations or attorneys

Donor gives through one or more ways, including:

- Cash gifts
- Complex assets
- Including the donor-advised fund as a beneficiary on retirement and insurance accounts
- Bequest





LOW FEES, PERSONALIZED SERVICE

Unlike many donor-advised funds, the Bradley Impact Fund charges low, one-time account management fees upfront rather than charging on a recurring basis. That means there are no fees to maintain account balances, and you pay the same amount whether you choose to use your Donor-Advised Account now, next year, or in the future.

Any income you earn on your investments is also fee-free, making the Impact Fund a good option for givers who wish to build and grow their account balances over time, establish endowed funds, or incorporate a donor-advised fund into their legacy plans.

The Impact Fund's low fees help ensure there's more to give to organizations that are helping to advance our shared principles.

At the Bradley Impact Fund, you also get **hands-on support**, access to **convenient online giving** resources, and personalized **philanthropic advising** to help you as you consider your giving options—all at no extra cost. Our experienced staff can guide your decision-making process, help vet potential grantees, and ensure that your giving is always aligned with both your values and your philanthropic goals.

Maximize Your Future Giving with One-Time Fees

As protectors of your philanthropic intent, we are in the business of helping put your money to work so your giving can have the maximum possible impact on the things you care most about. Our unique, low-cost fee structure helps your giving go farther in advancing our shared principles.

FEE TERMS	AMOUNT	RANGE	FEE ALLOCATION
<ul style="list-style-type: none"> One-time, flat administrative fee on each contribution charged up front. Commitments of up to three years will be charged the fee rate for the total commitment amount. No annual fees, fee-free account growth Donors have the option to appoint their own investment advisor for accounts over \$1 million. 	First \$1,000,000	\$1-\$1,000,000	0.80%
	Next \$1,500,000	\$1,000,001-\$2,500,000	0.50%
	Next \$2,500,000	\$2,500,001-\$5,000,000	0.25%
	Next \$5,000,000	\$5,000,001-\$10,000,000	0.20%
	Over \$10,000,000	\$10,000,001+	0.125%

Fee schedule is applicable up to any three-year pledged commitment.

A Positive Return for Future Giving

With one-time, low fees and investment returns, a donor's charitable assets grow tax free, resulting in a greater philanthropic impact.

GIFT AMOUNT	\$1,000,000	\$2,500,000	\$5,000,000	\$10,000,000
FEE AMOUNT	\$8,000	\$15,500	\$21,750	\$31,750
INITIAL GIFT NET	\$992,000	\$2,484,500	\$4,978,250	\$9,968,250
YEAR ONE	\$1,041,600	\$2,608,725	\$5,227,163	\$10,466,663
YEAR TWO	\$1,093,680	\$2,739,161	\$5,488,521	\$10,989,996
YEAR THREE	\$1,148,364	\$2,876,119	\$5,762,947	\$11,539,495
YEAR FOUR	\$1,205,782	\$3,019,925	\$6,051,094	\$12,116,470
YEAR FIVE	\$1,266,071	\$3,170,922	\$6,353,648	\$12,722,294
ACCOUNT GROWTH	+\$266,071	+\$670,922	+\$1,353,648	+\$2,722,294

Calculations assume 5% annual investment return and no disbursements made from account.

MULTIPLE INVESTMENT OPTIONS

The Bradley Impact Fund offers a spectrum of investment options to help you effectively pursue your short- and long-term objectives for your charitable giving. You can choose the investment portfolio that best matches the intent and timeline for your giving.

Short Duration Model

The Short Duration Model emphasizes preservation of capital to meet possible withdrawal needs and protection of principal over a period from several months to an interest rate cycle. There is no consideration for capital appreciation as the assets are held in fixed income securities with short maturities and money market funds. Short Duration investors generally assume lower risk, but may still experience losses or have lower expected returns.

Moderate Income Model

The Moderate Income Model emphasizes current income with minimal consideration for capital appreciation and usually has less exposure to more volatile growth assets. Moderate Income investors are willing to accept a modest level of risk that may result in increased losses in exchange for the potential to receive modest returns.

Growth and Income Model

The Growth and Income Model emphasizes a blend of current income and capital appreciation and usually has some exposure to more volatile growth assets. Growth and Income investors are willing to accept a modest level of risk that may result in increased losses in exchange for the potential to receive modest returns.

Aggressive Growth Model

The Aggressive Growth Model emphasizes capital appreciation with minimal consideration for current income and usually has significant exposure to more volatile growth assets. Aggressive Growth investors seek a higher level of returns and are willing to accept a higher level of risk that may result in more significant losses.

Independent Advisor Option

Bradley Impact Fund members with funds in excess of \$1 million may also choose to appoint their own investment advisor. This option is subject to fees charged by the separate providers.

WAYS TO GIVE

IT'S BETTER TO TELL YOUR MONEY WHERE TO GO THAN TO ASK WHERE IT WENT.

— FARMER'S GAZETTE

⋮ Bequest Giving

With bequest or testamentary giving, you can include gifts to charitable organizations in your will, to be paid after your passing. These gifts can be for a specific amount, a specific asset, or a percentage of your estate.

You can utilize the Bradley Impact Fund for bequest giving through an existing Donor-Advised Account by designating a successor advisor for the account and/or selecting organizations or issue funds to receive gifts after your death. Or, you can establish a bequest account at the Impact Fund that will be funded after death.

When you designate a donor-advised fund like the Bradley Impact Fund to be a bequest beneficiary, you and your successor advisor(s) have flexibility to advise gifts to multiple nonprofits and make changes as needed without going back and forth with multiple organizations.

The Bradley Impact Fund acts as a trusted third-party representative as your bequest intentions are carried out, helping to ensure that your donor intent is honored and that the organizations you support continue to advance your principles.



"Bradley offers valuable depth of expertise. They know my passions and they make sure my giving supports causes that align with my principles and priorities. I've learned a lot from them, and the Impact Fund has changed the way I give for the better."

— PATRICK ENGLISH

Member and Director, BRADLEY IMPACT FUND

Complex Assets

The Bradley Impact Fund can accept a variety of non-cash assets, increasing your charitable giving capacity. Many of these donations have tax advantages for you and your heirs, including lower income and estate taxes.

These include:

- **Appreciated securities**
- **Investment accounts**, such as a hedge fund, private equity account, or restricted stock
- **Business interests**, such as C-or S-Corps, LLC, or LLP interests
- **Property**, including personal or commercial real estate, farmland, or undeveloped land
- **Retirement** assets and accounts
- **Bank accounts, cash/bank accounts**: need to have a TOD (Transfer on Death) designation or TRUST in order to avoid probate
- **Mineral rights**
- **Life insurance**
- **Cryptocurrency**

Cash is Not King

Many donors can increase their charitable giving ability by donating non-cash gifts

What happens in the *same year* when gifts shift from cash to assets?*



When share from
CASH GROWS
by +10% total
contributions
fall by **-13%**



When share from
SECURITIES GROWS
by +10% total
contributions
rise by **+18%**



When share from
REAL ESTATE GROWS
by +10% total
contributions
rise by **+26%**

Less than 10% of U.S. household wealth is held in cash, checking accounts, or marketable securities.⁺

* 2018 study by Texas Tech professor Russell James, Ph.D. analyzing 1,055,917 nonprofit tax returns

⁺ 2017 Census Bureau data

Retirement Accounts

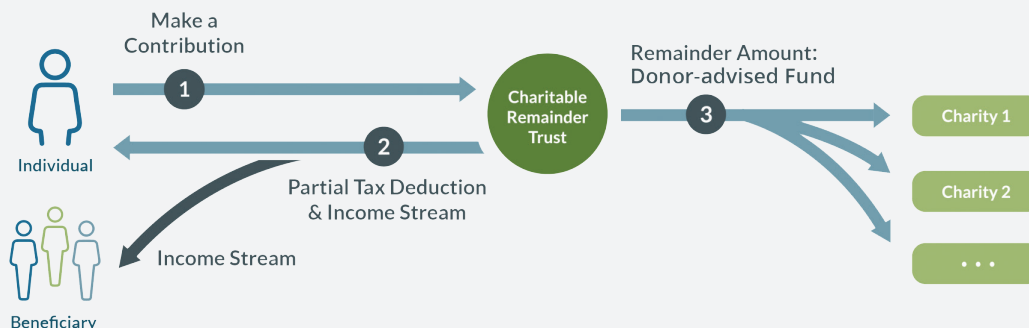
Many IRA or 401(k) accounts are usually subject to both estate taxes and income taxes upon distribution to heirs. This means that very little is left in the account after taxes. Designating a donor-advised fund instead of an individual as the beneficiary for these accounts helps minimize these taxes so there is more available to give to charitable causes.

Charitable Remainder Trusts

This estate planning arrangement is useful for donors who have a charitable asset they wish to donate but need to continue receiving some level of income from that asset. The charitable organization receiving the asset liquidates the asset (as necessary) and invests the principal. Each year during the defined term of the trust agreement, income from the investment is paid to the donor and/or family members. Once the term of the trust ends, the remaining assets are distributed to the charitable organizations(s) designated in the trust agreement.

A charitable remainder trust can defer income tax on sales of appreciated property. The trust is not subject to income tax when property contributed by the donor is sold by the trust (instead, the funds can be reinvested tax-free by the trust). The income tax on the sale is deferred until the donor receives his or her annual payment.

These gifts are irrevocable, so a donor cannot shift between beneficiaries after the initial gift is made. However, with a donor-advised fund as the primary charitable beneficiary, it is simple to shift where the advised gifts from the fund are directed.



Charitable Lead Trusts

Charitable lead trusts allow a donor to transfer significant assets to children or other beneficiaries by coupling the transfer with a gift to charity, such as a donor-advised fund. The donor funds a trust for his children. Over a term of years, the trust will make payments to a charity. Then, at the end of the term, the children will receive the remainder in the trust. Upon funding, the donor is eligible for a charitable gift or estate tax deduction based on the value of the payments to charity, decreasing or eliminating gift tax or estate tax on the gift to the children. In this calculation, the IRS uses a very low interest rate (based on government bonds) and to the extent the assets grow faster than the IRS rate, the excess is distributed to the donor's children.

Because payments will be made from the charitable lead trust for many years (perhaps as long as thirty years after the donor's death), naming a donor-advised fund as charitable beneficiary makes sense because the donor-advised fund can ensure that the donor's intent for the funds is followed even as charities or people (including children) change.

Supporting Organizations

Some donors prefer to create a separate organization for their charitable giving. However, if the donor makes gifts with appreciated, closely-held stock or real estate, the private foundation rules can offer a significant tax disadvantage, or make the gift impermissible or impractical. If the Bradley Impact Fund has a sufficient governance role in the organization, the organization may instead qualify as a "public charity" so that the private foundation rules do not apply.

Or, a donor may prefer a separate private foundation, but may want to safeguard his or her donor intent from misaligned family members or other trustees. In both cases, the separate family charitable entity can be formed as a "supporting organization" of the Bradley Impact Fund. The Bradley Impact Fund would serve as a "check and balance" to prevent future trustees from misusing the donor's charitable funds.

BRADLEY IMPACT LEGACY SOCIETY



The **Bradley Impact Legacy Society** is open to any member of the Impact Fund community who has made a written commitment to entrust the Impact Fund with stewarding their charitable intentions after their passing. The Legacy Society honors and celebrates these members' commitments to partnering with the Impact Fund to steward their legacy giving and preserve their donor intent for future generations.

BENEFITS

The most important benefit of Bradley Impact Legacy Society membership is peace of mind in the knowledge that the Impact Fund is fully engaged in helping to ensure your legacy giving will align with your donor intent and help strengthen America's foundational ideas and institutions.

In support of these efforts, the Impact Fund can facilitate a wide variety of legacy gifts. Legacy Society members also receive complimentary access to the Impact Fund's estate planning and/or donor intent advisors, a commemorative engraved gift, invitations to special legacy events, and recognition in a special Legacy Society Membership Book.

GET IN TOUCH

Please get in touch to learn more about whether the Bradley Impact Fund could be a good tool for you as you think about your giving plans and charitable legacy. Contact the Bradley Impact Fund office anytime at **(414) 291-2500**, or reach out directly to Gabe Conger, President of the Bradley Impact Fund, at **gabeconger@bradleyimpactfund.org**.

If you choose to include the Impact Fund in your legacy plans, please let us know. We want to be sure to talk with you about your charitable intent, document your wishes, and ensure good guidelines are in place to help carry out your wishes as thoughtfully as possible.



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PRINCIPLED PHILANTHROPY

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