



# Custom Investments

## A feature of The ImpactAssets Donor Advised Fund

A donor advised fund (DAF) is a tax-preferred philanthropic vehicle administered by a public charity. Organizations, families or individuals establish a DAF with an initial tax-deductible contribution to a public charity. The contribution is invested and donors can recommend grants to qualified nonprofit organizations over time.

### ABOUT CUSTOM INVESTMENTS

As a boutique donor advised fund, The ImpactAssets Donor Advised 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.

### CUSTOM INVESTMENTS SUIT THE NEEDS OF A VARIETY OF INVESTORS AND CHARITABLE ORGANIZATIONS

- Individual investors looking to personalize and deepen their impact portfolio
- Venture funds syndicating investments from multiple donors and investors
- Accelerator programs building a seed-venture fund
- Foundations deploying investment capital into social enterprises and funds
- Corporations using impact investing as part of their charitable giving or CSR strategy

### DONOR SPOTLIGHT: DOING PHILANTHROPY LIKE A VENTURE CAPITALIST



**SETH GOLDMAN**  
IMPACTASSETS DONOR  
ADVISED FUND CLIENT  
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Unlike more conventional donor advised funds, The ImpactAssets Donor Advised 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 ImpactAssets Donor Advised Fund account, increasing his philanthropic assets.

Currently through his ImpactAssets Donor Advised Fund account, 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.

### ABOUT THE IMPACTASSETS DONOR ADVISED FUND

The ImpactAssets Donor Advised Fund is an innovative donor advised fund that empowers donors to increase the impact of their giving by combining it with strategic sustainable and responsible investing to build a sophisticated philanthropic endowment.

Donors recommend how their ImpactAssets Donor Advised Fund account assets are invested across a range of leading impact investment options including community investment, turn-key portfolios, private debt and equity impact funds and Custom Investments. The ImpactAssets Donor Advised Fund currently has more than \$1B in assets in 1,200 donor advised funds, working with 350 wealth advisors across 60 financial services firms.

### 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 Donor Advised Fund and knowledge tools provide dynamic resources for wealth managers and the clients they serve to advance social or environmental change through investment.

## HOW IT WORKS

- 1 INVESTMENT STRUCTURE**  
The ImpactAssets Donor Advised Fund enables donors to choose investments outside of the ImpactAssets Investment Platform. 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.

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

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- 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

- Online Submission Form
- 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"> <li>• First \$100,000: 0.80%</li> <li>• Next \$100,000: 0.60%</li> <li>• Over \$200,000: 0.40%</li> </ul> <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"> <li>• Set up fee \$500</li> <li>• Conversion, exit, workout or renewal fee \$500 (a simple pay down of a debt instrument does not incur an additional fee)</li> </ul>



# Illustrative Custom Investments

Recommended by ImpactAssets Donor Advised Fund donors



**BEYOND MEAT**

The Plant-Based Meat Alternative

A Donor Recommended Custom Investment in  
**THE IMPACTASSETS DONOR ADVISED FUND**

**INVESTORS**  
Seth Goldman & Julie Farkas  
Real Leaders Fund



**IMPACTASSETS**



**ricult**  
Those who feed us, need us

A Donor Recommended Custom Investment in  
**THE IMPACTASSETS DONOR ADVISED FUND**

**INVESTOR**  
Liquidnet For Good Fund



**IMPACTASSETS**



**VIGILANT**

Public Data Intelligence

A Donor Recommended Custom Investment in  
**THE IMPACTASSETS DONOR ADVISED FUND**

**INVESTOR**  
New Media Ventures  
Innovation Fund



**IMPACTASSETS**




**C L O S E D**  
**L O O P** ventures

Investing In The Circular Economy

A Donor Recommended Custom Investment in  
**THE IMPACTASSETS DONOR ADVISED FUND**

**INVESTOR**  
Autodesk Foundation



**IMPACTASSETS**



**DDD**


Digital Divide Data:  
Creating a World of Digital Possibilities

A Donor Recommended Custom Investment in  
**THE IMPACTASSETS DONOR ADVISED FUND**

**INVESTOR**  
Propel Capital



**IMPACTASSETS**




**EPIBONE**

Personalizing Skeletal Reconstruction with Precision Design and Living Cells

A Donor Recommended Custom Investment in  
**THE IMPACTASSETS DONOR ADVISED FUND**

**INVESTOR**  
Shazi Visram



**IMPACTASSETS**




**Skill SCOUT**

Changing How Candidates Experience Companies Through Video

A Donor Recommended Custom Investment in  
**THE IMPACTASSETS DONOR ADVISED FUND**

**INVESTOR**  
The Points of Light Civic Accelerator Fund



**IMPACTASSETS**




**kinnos**

Raising the Standard of Infection Prevention

A Donor Recommended Custom Investment in  
**THE IMPACTASSETS DONOR ADVISED FUND**

**INVESTOR**  
VentureWell Fund



**IMPACTASSETS**



**KOMAZA**


Revolutionizing African Forestry Via Smallholder Farmers

A Donor Recommended Custom Investment in  
**THE IMPACTASSETS DONOR ADVISED FUND**

**INVESTOR**  
Libra Social Investment Fund



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**YERDLÉ**  
RECOMMERCÉ

Powering Resell For Leading Brands

A Donor Recommended Custom Investment in  
**THE IMPACTASSETS DONOR ADVISED FUND**

**INVESTOR**  
Pi Investments Innovation



**IMPACTASSETS**



**BegWorks**

Enabling Amputees Globally To Walk With Confidence

A Donor Recommended Custom Investment in  
**THE IMPACTASSETS DONOR ADVISED FUND**

**INVESTORS**  
1to4 Giftvest Fund  
Real Leaders Fund  
Liquidnet For Good Fund



**IMPACTASSETS**



**MANGOMATERIALS™**

Produces Biodegradable Materials From Methane Gas

A Donor Recommended Custom Investment in  
**THE IMPACTASSETS DONOR ADVISED FUND**

**INVESTOR**  
Softmatter Ventures



**IMPACTASSETS**