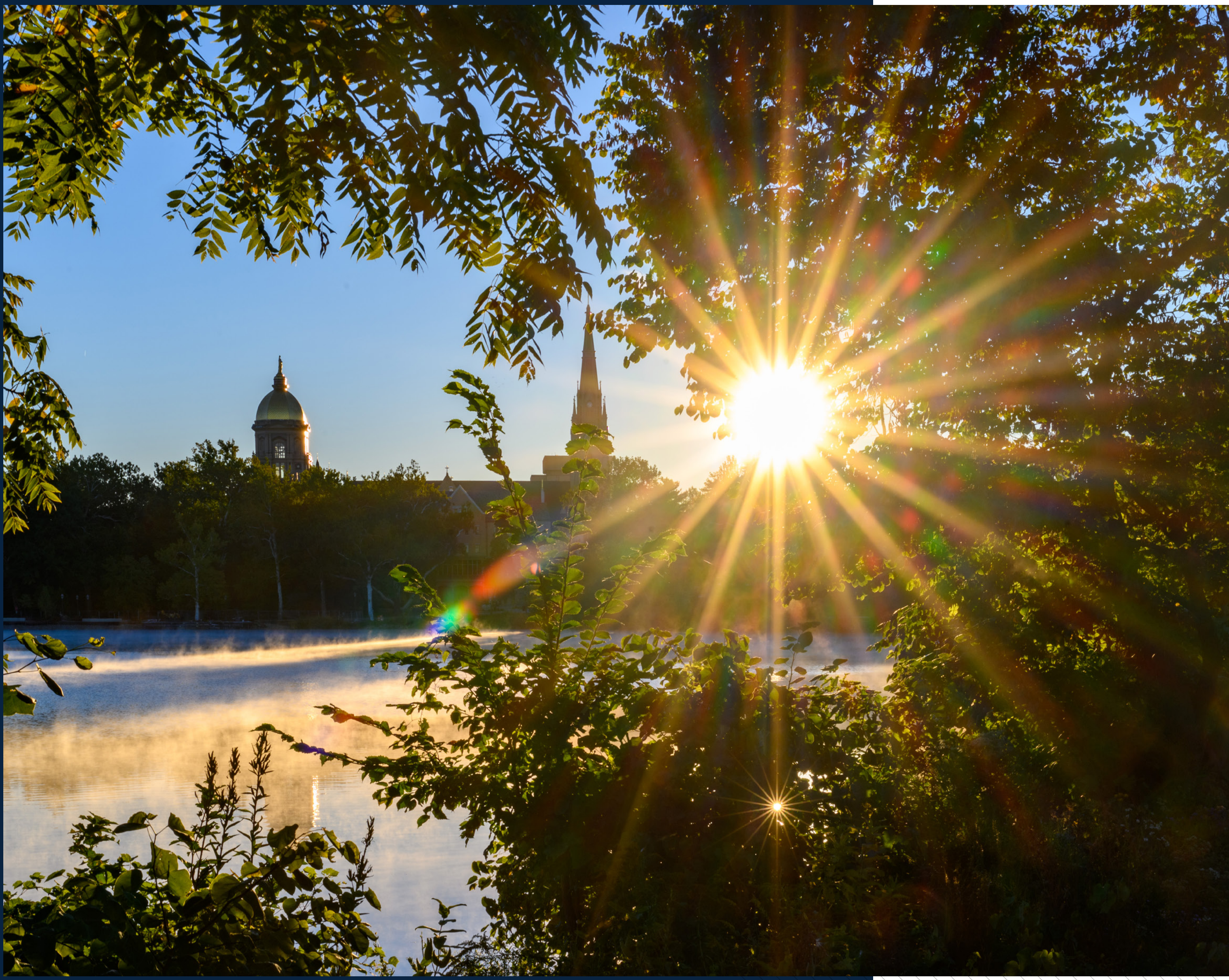
UNIVERSITY OF NOTRE DAME



Donor Advised Funds

Leverage the Notre Dame Endowment to Maximize Your Impact and Simplify Your Giving

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DONOR ADVISED FUNDS

DAF Overview

FURTHER YOUR PHILANTHROPY

A University of Notre Dame Donor Advised Fund (DAF) is a powerful vehicle that leverages the Notre Dame Endowment to maximize the impact of your philanthropy to Our Lady's University and gifts to other qualified charitable organizations. It offers a simple, efficient, and cost-effective way for you to be a force for good in the world.

HOW IT WORKS

Gift: A minimum gift of $500,000 through cash, securities, or other approved assets is required to fund a Notre Dame DAF. Existing charitable foundations and donor advised funds can also be transferred with ease to Notre Dame to fund a DAF. Once established, additions of $5,000 or more can be made at any time.

Investment: Notre Dame DAFs are invested in units of the Notre Dame Endowment pool, without the assessment of any direct fees.

Structure: Each Notre Dame DAF is comprised of a Retained Fund and a Distributable Fund. The Retained Fund may be used to make grants solely to Notre Dame programs while the Distributable Fund may be used to make grants to either Notre Dame or other qualified charities. At least 50% of each contribution to your DAF must be allocated to the Retained Fund and will therefore be reserved for the current and future Notre Dame causes of your choice.

Grants: Grant recommendations (minimum amount of $5,000) can be made on your timetable, with ease through our Notre Dame DAF Portal.

Eligible Charities: Grants may be made to 501(c)(3) public charities that align with Notre Dame's values as a Catholic university. In addition, as a member of the National Collegiate Athletic Association (NCAA), the University cannot make distributions to other charities that could cause the University to be in violation of NCAA rules and regulations. These charities include high schools, prep schools, two-year colleges, and "name, image, and likeness" collectives.

NOTEWORTHY BENEFITS

- Receive an immediate income tax deduction and avoid capital gains taxes by donating long-term appreciated securities;
- Invest in the Notre Dame Endowment, without the assessment of any direct investment or administrative fees;
- Submit grant recommendations through the DAF Portal, a simple online tool to manage your DAF;
- Create a significant impact on Notre Dame and on the other qualified charities for which you care deeply.

NOTRE DAME ENDOWMENT PERFORMANCE

One of the most important advantages of a Notre Dame Donor Advised Fund is having your gift invested in the Notre Dame Endowment, which is consistently one of the best-performing endowments in higher education. Notre Dame holds a Moody's "Aaa" credit rating, Moody's highest long-term credit rating. Annualized net returns of the Notre Dame Endowment relative to benchmarks and market indices are as follows:

Period Ending 6/30/24	5 years	10 years	20 years
Notre Dame Endowment	11.3%	9.6%	10.2%
60% Equity / 40% Bond*	6.3%	5.6%	6.3%
Strategic Policy Portfolio**	7.6%	6.2%	6.6%

*The 60% Equity / 40% Bond is an index blend of stocks/bonds as represented by the MSCI All Country World Investable Index and Barclays Capital U.S. Aggregate Bond Index.
**The Strategic Policy Portfolio is the University of Notre Dame's internal benchmark consisting of indices representative of the target investment portfolio.

FAQS

Can a donor transfer assets to a Notre Dame Donor Advised Fund from another Donor Advised Fund? Yes. The donor simply recommends a grant to the Notre Dame DAF from their existing donor advised fund account. This is not a taxable event, as the donor has already received a tax deduction for the original contribution to a donor advised fund.

What is the difference between a Donor Advised Fund and a private foundation? Establishing a private foundation can involve substantial start-up costs and on-going administrative expenses, such as the yearly filing of a Form 990-PF. One of the most significant differences, however, is that contributions to a DAF can receive more favorable tax treatment. The Notre Dame DAF also offers privacy in that public disclosure of charitable gifts is not required, while private foundation information is public record.

Can a donor transfer a private foundation to a Notre Dame DAF? Yes. A private foundation may transfer part or all of its assets to Notre Dame to establish a DAF. If a private foundation transfers all of its assets to a Notre Dame DAF, the private foundation may be terminated if desired.

Can you use long-term appreciated securities to fund a Notre Dame DAF? Yes. Appreciated securities are a great way to create a Notre Dame DAF. In most cases, it is considered more tax advantageous than giving cash, as you are able to secure a charitable tax deduction at the fair market value of the securities while avoiding the recognition of capital gains that may have been otherwise assessed had you personally sold the assets.

Did You Know?

You can establish a Notre Dame DAF for a minimum of $250,000 by funding only the Retained Fund portion of the DAF, which would be solely used for the purposes of supporting areas of your choosing at Notre Dame.

DONOR ADVISED FUNDS

DAF Comparison

Notre Dame Donor Advised Fund with $1 Million Contribution*

Year	Market Value at Start of Year	Distributions	Yearly Appreciation	Investment and Admin Fees	Market Value at End of Year
1	$1,000,000	$50,000	$102,000	-----	$1,052,000
5	$1,224,794	$61,240	$124,929	-----	$1,288,483
10	$1,578,126	$78,906	$160,969	-----	$1,660,188

***Assumptions**
The assumed rate for the Notre Dame Endowment is 10.2% based upon the Endowment's 20 year annualized return as of 6/30/2024. Direct investment and administrative fees are 0.0%. Initial contribution is $1,000,000. Illustration runs for 10 years. Annual distributions are equal to 5% of market value. Distributions are made at the beginning of each year. No direct fees charged.

Outside Donor Advised Fund with $1 Million Contribution*

Year	Market Value at Start of Year	Distributions	Yearly Appreciation	Investment and Admin Fees	Market Value at End of Year
1	$1,000,000	$50,000	$63,000	$5,065	$1,007,935
5	$1,032,120	$51,606	$65,024	$5,228	$1,040,310
10	$1,073,724	$53,686	$67,645	$5,438	$1,082,244

***Assumptions**
The assumed rate for the comparative investment option is 6.3% (based upon the 20 year annualized return of a 60/40 index blend of stocks/bonds as represented by the MSCI All Country World Investable Index and the Barclays Capital U.S. Aggregate Bond Index as of 2024). Direct investment and administrative fees are assumed to be 0.5% annually. Initial contribution is $1,000,000. Illustration runs for 10 years. Annual distributions are equal to 5% of market value. Distributions are made at the end of each year based upon the balance at the beginning of the year. Fees are charged at the end of each year.

FURTHER YOUR PHILANTHROPY

Over a 10-Year Period

Notre Dame DAF*	«« VS. »»	Outside DAF*
$1.66 Million	End Market Value	$1.08 Million
$634,797	Total Distributions	$518,237
$0	Total Direct Fees	$52,497

*All figures are based upon the investment fee and distribution assumptions above. The University of Notre Dame is an educational institution and does not provide tax, legal, or financial advice. Any document or information shared by our staff is intended to be educational and informational. Notre Dame strongly encourages all of our benefactors to seek counsel from their own legal and financial advisors. Please know that any information or documents shared by the Development staff cannot be used to avoid tax-related penalties. Additionally, there are other factors, such as state and local taxes, that may be relevant to your gift. Investment in securities and other assets necessarily involves risk, which can be substantial, and it is expected that the value of the University of Notre Dame Endowment assets will fluctuate over time. Past performance of Endowment investments does not guarantee future performance.