FOR FINANCIAL ADVISORS AND THEIR FIRMS

In response to rising interest in impact investing (or 'doing good while doing well') financial firms have broadened their offerings in the Impact / ESG space and expanded clients' charitable options generally, particularly at higher wealth management tiers. See, for example, Bank of America's "Philanthropic Solutions" and Morgan Stanley's "Philanthropy Management," where advisors help clients go beyond the traditional donation model to engage in more strategic types of philanthropy. The Structure dovetails perfectly with these efforts by combining financial return and charitable impact in a completely new way. Moreover, the Structure's unique design allows its impact to be scaled up to dollar levels that other products can't match.

This is because unlike other impact-investing vehicles, the Structure isn't a stand-alone investment sold on the primary market where issuer fundamentals dictate the size of the offering. Rather, the Structure acts as a tax 'wrapper' for existing equity products like S&P 500 stocks or ETFs that investors are already familiar with and which are readily available on the secondary market. Since there is no practical limit to the supply of such instruments and because the Structure diverts roughly 30% of every dollar to public charities, its impact can easily grow to large figures. The only limiting factor is on the demand side where investors' ability to take advantage of the Structure's tax benefits acts as a soft constraint. (This ability, which is roughly proportional to the investor's annual income, is easily quantified using the supplied IRR model.) And because the value of these benefits goes up as tax rates rise, the Structure also acts as a natural hedge against future tax increases, something that should further boost client demand.

In addition to the branding benefits that come from offering an important new product in the impact investing & philanthropy space, firms marketing Structure-based investments to their clients may also earn revenues via points or commissions from INTEF Capital. And to the extent that clients use idle cash to make their Structure-based investments, increasing AUM, the benefits to firms are greater still.