

News Release

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SCHWAB CHARITABLE TO OFFER NEW PRIVATE FOUNDATION CONVERSION SERVICE

SAN FRANCISCO, Sept. 15, 2009 – Schwab Charitable, one of the nation’s largest and fastest growing national donor-advised fund programs, announced today the launch of its Private Foundation Conversion Service.

The new service is specifically designed to help advisors to private foundations determine whether conversion to a donor-advised fund would be beneficial, and if so, provide guidance throughout the process.

Schwab Charitable’s process may be particularly beneficial to private foundation directors struggling with recently depreciated assets.

“In these harsh economic times, philanthropic individuals are re-evaluating their giving strategies with the same rigor as their investment strategies,” says Kim Wright-Violich, president of Schwab Charitable. “The Private Foundation Conversion Service makes it easy for donors to evaluate whether converting a private foundation to a donor-advised fund may be beneficial and, if so, help them to make the transition”

Private foundations became a popular charitable giving vehicle among the affluent during more robust economic times, but their growth has slowed in recent years. At the same time, the use of donor-advised funds has grown tremendously.

Following the past year’s massive stock market losses, and facing what many believe will be a deep and potentially prolonged recession, some families are beginning to question whether a private foundation is the right charitable vehicle for the times. In general, donor-advised funds are less expensive to operate and offer more privacy, better tax deductibility limits and reduced administrative burden.

“For foundation directors wishing to continue philanthropic engagement but who want to use a lower-cost and simpler charitable vehicle, transferring the foundation’s assets to a donor-advised fund may be an attractive option,” says Wright-Violich.

The Private Foundation Conversion Service provides tools and objective advice to help advisors or donors determine if converting a private foundation to a donor-advised fund is the best solution for their philanthropic needs. The process also includes assisting with paperwork associated with the transfer in the state where the foundation is held, facilitating the transfer of the foundation assets to a Charitable Gift Account, and working with the donor and their advisors on all associated issues throughout the transition.

Schwab Charitable is committed to increasing charitable giving in the United States by providing advantageous ways to give, useful information, and unbiased guidance. Along with the Private Foundation Conversion Service, the charitable organization provides donors and financial professionals with a broad range of philanthropic services, including Schwab Charitable Fund, Charitable Asset Management, Charitable Trust Services, and a Microfinance Guarantee Program.

About Schwab Charitable

Created as a national donor-advised fund with a mission to increase charitable giving nationwide, Schwab Charitable has raised over \$3.75 billion and has facilitated more than \$1.5 billion in grants to charity since

inception. For more information about Schwab Charitable or the Schwab Charitable Microfinance Guarantee Program, visit schwabcharitable.org.

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