



ShareGift: information for charities

ShareGift, the share donation charity was launched in 1996 to make it easy for people to give shares to charity. We were set up to provide a charitable home for unwanted shares, in particular for small holdings of shares which would cost more to sell than they are worth. Through this work, we have already given away more than eleven million pounds to well over 1,000 different UK charities.

The idea behind ShareGift is broadly similar to the foreign coin collection schemes seen on aircraft. We accept donations of assets that are useless individually but that have a value which we can release when we collect enough together.

People donate these very small shareholdings (and when we say small, we mean it - just one or two shares, for example, some of which are worth just pence) for us to sell when we have collected enough shares from other donations, knowing that ShareGift will use the ultimate proceeds to support charities across the UK. A major reason for giving us these shares is not to make a charitable donation but to get rid of a nuisance – the shares will stay in their name until they do something to dispose of them. In the meantime, they will receive annual reports, tiny dividends and other documents for a small shareholding which they may not want but cannot easily dispose of in another way. ShareGift is the answer!

ShareGift is the working name of the independent charity The Orr Mackintosh Foundation Ltd (registered charity no. 1052686).

ShareGift's donation policy:

When we distribute our funds, we choose the charities which will benefit, according to our policy. **We do not accept applications for funding, so please don't send them.**

How ShareGift works

We re-register donated shares into the name of The Orr Mackintosh Foundation and collect these small holdings up until we have enough of a particular stock to sell. Private client stockbrokers Killik & Co sell our shares for us for free and ShareGift's trustees make charitable donations from the pool of funds that we create from this ongoing process.

ShareGift accepts all UK listed shares and some foreign holdings. We can also accept other assets such as Gilts or Unit Trust units. We produce the appropriate transfer forms and correspond with the donor where necessary. We also assist donors who wish to make an electronic (nominee-to-nominee) transfer of shares or with other queries like deceased estates.

These small holdings of shares exist for many reasons (scrip dividends, takeovers or companies that are consolidating or demerging for example). Charities often also receive small amounts of shares, for example in legacies, but there is little that they can do with these due to the costs of selling them.

Helping ShareGift to help charities

ShareGift is really the only organisation which is able to make something of charitable benefit from tiny holdings of shares. The higher the profile of ShareGift, the more unwanted shares we will be given and the more money we will be able to generate and give away to charities across the country.

What can charities do to be involved?

ShareGift works by achieving critical mass – we have to collect enough shares to sell in order to have funds to distribute. Charities can help us to generate more funds by raising awareness of ShareGift and encouraging their supporters to give unwanted shares to ShareGift. The benefit to you is that, if your supporters are giving us unwanted shares, your charity will be likely to receive a donation or donations from us in the future, when we distribute our funds.

How does ShareGift choose charities to receive its donations?

All donations are made by our trustees at their discretion. Our policy is for ShareGift's donations to reflect the overall charitable interests of our donors. Donors can suggest charities to us for us to consider for a future donation, using the space provided on our donation coupon. We use all these suggestions and the statistics that they provide to help us choose charities to benefit when we make a distribution of our funds.

A list of our beneficiaries so far appears on our website, www.ShareGift.org.

Important!

If your charity promotes ShareGift to your donors, it is essential that you understand that they will actually be donating shares *to the independent charity ShareGift* for us to pool and sell where possible, and that the ultimate proceeds – our funds - will be distributed by our trustees in line with the policy described above. They are not “donating to your charity through ShareGift” and we cannot sell shares on your behalf and send you a cheque.

Most charities simply cannot handle the kind of small holdings of shares that ShareGift was specifically set up to accept and they understand that by passing this kind of donor on to us, they are simply offering a solution to their donors that they cannot provide themselves. However, if a donor specifically wants to give a larger gift of shares to your charity, they should transfer them into your name and you should handle them yourselves. If they give them to ShareGift, they will be donating the shares to us and suggesting that we consider you for a future donation – this is not the same as transferring their shares to your charity's ownership.

Other Frequently Asked Questions:

How can charities promote ShareGift?

A quick and easy way to start promoting ShareGift is to photocopy our information leaflet and add your logo/details to the bottom left hand corner of the donation coupon. Please do not alter any of the other text on our leaflet.

If you want to use your own text, put together the information which you want to use to promote ShareGift (the attached examples will help you with this), then show it to us so that we can make any necessary changes. We can provide you with our logo.

Can donors specify that the exact proceeds of their unwanted shares are to be passed on to a particular charity?

No, this is not the way we work. Because we mainly deal with very small holdings of shares which cannot be sold individually because of their low value, we usually have to collect lots – hundreds or even thousands - of shares in the same company before we have enough to sell. Donors can tell us what charity or cause they support when they send us their shares and we use this information to help us choose charities to receive donations from us. Otherwise they can give their shares directly to the charity of their choice (if that charity wants to accept the gift and thinks they can sell the shares).

Does ShareGift handle large donations of shares?

ShareGift is happy to accept large donations of shares from individuals who have a particular charity or charities in mind to benefit, but we can only handle these donations in a specific way.

Our procedure is as follows: ShareGift does not sell shares for you – we are not a stockbroker. We are a registered charity and cannot act as an agent or direct conduit. ShareGift's trustees must be in a position of deciding on our donations and cannot accept specific instructions. However, as our donation policy is based upon suggestions of beneficiary charities by our share donors, our trustees have the discretion to take note of a specific wish and to elect to carry out that wish themselves.

In practical terms, this means that we can realise the value of shares donated to us by a charity or its supporters and make an appropriately-sized donation when we have sold shares.

This is simply one option for making a large gift of shares; we recommend that, as a first step, donors should find out if they can donate their shares directly to the charity of their choice, which can then sell them itself, as this is the easiest for the donors.

We have specific notes on this aspect of our work – please contact us for a copy.

Do we need to register with ShareGift?

You do not need to register with us as we can give to any UK registered charity and research our beneficiaries ourselves. If you want to promote ShareGift actively, we ask you to let us see any text you write about us before you send it out, unless you are simply using our own leaflet.

We are not promoting donations of shares at all – can you help us get started?

Yes. Although ShareGift and giving shares to charity are two different things, we try to help charities understand the benefits of share donations as a fundraising method. Please do call us for advice, but before you do, please think first about how share giving will fit into your organisation and what you plan to do. We also suggest you read the free information available from The Giving Campaign or the Institute of Fundraising.

Important Information

- **ShareGift's brand:** We need you to give out correct information about us and therefore we expect charities to sign off any text mentioning ShareGift with us.
We have a small and extremely busy office, so please be kind enough to give us some notice when you need us to check your text. Please contact us on 020 7930 3737 / e mail help@sharegift.org.uk.
- **Share sales policy:** Our policy is to sell donated shares as soon as practicable; we do not carry out instructions on when to sell and we do not take an investment view on our holdings. You need to be aware that the value of shares can change rapidly and without warning, both up and down – this is not something that ShareGift can be responsible for. If you are aware of a share donation has been given to ShareGift by a donor, it is important that you and your trustees do not have fixed expectations about its value.
- **ShareGift's costs:**
Like all charities, ShareGift meets its core costs from unrestricted donations. Thanks to Killik & Co and other supporters, we benefit from much good will and free facilities including free broking services. We endeavour to keep our costs to a minimum so that we can pass on as much of our income as possible to our charitable beneficiaries.

Other sources of information on share donations

HM Revenue and Customs

- IR 178 Giving shares and securities to charity
 - Guidance Notes for charities, Chapter 5
- Available free from www.hmrc.gov.uk/charities
Tel: 0845 9000 604

The Institute of Fundraising

Training on tax-efficient giving including shares
www.institute-of-fundraising.org.uk/

The Giving Campaign

Various – now slightly old - information available free
from: www.givingcampaign.org.uk

Finally, please note our new address from September 2007:

**17 Carlton House Terrace
London SW1Y 5AH**

Thanks.