

NOTES FOR SHARE DONORS

ShareGift was launched in 1996 to act as a charitable solution to the problem of unwanted small shareholdings. Millions of pounds are tied up in these tiny lots of shares, which are of no value to their owners because they cost more to sell than they are worth. Furthermore, companies are obliged to provide annual reports and documentation to the owner of even just one or two shares, costing many more millions on an annual and ongoing basis, and having a significant impact on the environment in terms of wasted paper and postage.

Since its inception, ShareGift has generated over £12m for nearly 1,500 charities, from major household names to tiny local initiatives. Without ShareGift, this money would remain locked up in unwanted shares and never reach these beneficiaries.

How does ShareGift work?

When you donate shares, we arrange to transfer them into the name of The Orr Mackintosh Foundation, the registered charity which operates ShareGift. ShareGift aggregates donated shares until there are enough to sell, then uses the proceeds to make donations to a wide range of other UK registered charities. The private client stockbrokers Killik & Co waive all ShareGift's commission charges, which means that we can give even more money to more charities. We make no charge for you to use ShareGift, but donations to help us provide this free service are always welcome.

What is ShareGift's share sale policy?

Our policy is to sell donated and aggregated shares as soon as practicable, although larger holdings of shares are sold without delay. We do not carry out instructions on when to sell and we do not take an investment view on our holdings. The value of shares can change rapidly, both up and down, so if you make a share donation to ShareGift, it is important that you do not have fixed expectations about its value.

How do we choose the charities which benefit?

When you send in your shares you may suggest a charity, or area of charitable work, which is of interest to you. Our Trustees use these suggestions to inform their decisions when making donations from the pool of money created from the many different shares which are donated to us. However, it is important to note that all donations are made at the discretion of our Trustees. Whilst we welcome your suggestions and consider them when choosing beneficiaries, it is not possible for donors to specify a particular charity to benefit from their donated shares. If you wish your shares to go to a particular beneficiary, please contact the charity you are interested in and ask for details of its own share donation procedures.

ShareGift: 17 Carlton House Terrace London SW1Y 5AH 020 7930 3737

The Orr Mackintosh Foundation, Registered charity number 1052686.

A company limited by guarantee. Registered in England 3150478.

Trustees: Viscount Mackintosh of Halifax, Matthew Orr, Stephen Scott, Baroness Goudie.

Larger donations

Although unwanted small shareholdings are the chief focus of our work, ShareGift's unique position as experts on charity share donation means that we can also assist if you wish to make a larger donation of shares. You may find ShareGift helpful if:

- you find a charity can't handle your shares itself
- you want more than one charity or cause to benefit from the same holding
- you have a complex share transaction and need help
- you prefer to stay anonymous

ShareGift is a registered charity and cannot act as an agent or direct conduit for any donation. However, as our donations are based on suggestions of charities by share donors, our Trustees have the discretion to take note of a specific wish and to choose to carry it out.

In practical terms, this means that once we realise the value of shares that you donate to ShareGift, we can make an appropriately-sized donation to the charity or charities you have suggested to us. This may often form part of a larger donation to the same charity, which may have been suggested to us by others. If you would like to see a copy of the charity's acknowledgement to ShareGift please let us know and we will provide this. Do contact us if you would like to discuss a proposed donation in more detail and we will be happy to advise you.

Tax Information

If you are a UK taxpayer, you can claim income tax relief on the value of most stocks and securities when you donate them to a charity. In addition, donating shares charitably gives rise to neither a gain nor a loss for Capital Gains Tax (CGT) purposes. This means that there will be no CGT, for which you might have been liable, had you decided to sell the shares. However, you should be aware that you cannot offset a loss against other gains if the shares you donate have gone down in value.

When you fill in your self-assessment form, you will need evidence of your donation of shares for HM Revenue & Customs (HMRC). Make sure you keep a signed and dated copy of the transfer form, which we will send you to sign when we have seen your share certificate. You should also keep a note of the value of the shares on the date that you gave them to charity, as this information may be more difficult to find out at a later date. You can find the share price in the investor area of the company's own website, through the financial pages of a newspaper or its website, through a stockbroker, on a specialised financial website or through a financial adviser.

Please note that ShareGift cannot give you financial advice about your individual circumstances or tax position. You may therefore wish to discuss the tax consequences of any donation of shares with your financial adviser or your own tax office. HM Revenue & Customs offers detailed guidance on charitable giving. Call 0845 3020203 or visit www.hmrc.gov.uk/charities/giving-land.htm for further details.