

Buffet Spurs the Bill and Melinda Gates Foundation to Sell 9.6 Billion worth of Shares

By Lindsay Szymanski, J.D. Candidate 2019 | February 7, 2017

In a regulatory filing on [Tuesday, January 17, 2017](#), the Bill and Melinda Gates Foundation revealed its plan to sell 50 million Class B shares of Berkshire Hathaway between July 1, 2017 and June 30, 2020. The shares will be sold through a [10b5-1 program](#), designed to protect executives from the appearance of insider trading by allowing owners to trade a fixed number of shares at designated intervals. This plan will replace a three-year program set to expire on June 30, 2017.

Berkshire has [two kinds of shares](#): Original class A shares created more than 50 years ago, and more recent Class B shares, created in 1996. Each Class A share is worth 1,500 Class B shares.

The Gates Foundation Shares, currently worth \$9.6 billion, were donated by Warren Buffett as a part of the billionaire's larger scheme to give away 99% of his wealth within his lifetime or ten years after the settlement of his estate. As of [July 2016](#), Buffet has donated more than \$28.5 billion to charity.

The Bill and Melinda Gates Foundation, which seeks to reduce poverty around the world by closing educational and health disparities, is the largest beneficiary of Buffett's philanthropy. Indeed, last summer Buffet donated 15 million B shares valued at \$2 billion to the foundation. According to the filing, the foundation owns over 68 million shares.

Buffet also donated \$215 million worth of stock to the Susan Thompson Buffet Foundation, a charity which provides college scholarships and family planning programs, and \$150 million to his children's charities: the Howard G. Buffet Foundation, the Sherwood Foundation, and the NoVo Foundation.

However, Buffet's philanthropy expands beyond donations of his personal wealth. In 2010, Buffet and Gates founded the Giving Pledge, which challenges billionaires to donate significant portions of their wealth to charitable organizations. Since its inauguration, [154 people](#) have participated in the pledge, including Mark Zuckerberg and David Rockefeller.