CHARITABLE TRUSTS

TRUST

AN ESTATE PLANNING TOOL

ENJOY LIFETIME INCOME
WITH CHARITABLE REMAINDER TRUSTS.

PRESERVE FAMILY WEALTH
WITH CHARITABLE LEAD TRUSTS.

THE FOUNDATION
JEWISH COMMUNITY FOUNDATION
LOS ANGELES

CHARITABLE TRUSTS

You may create a Charitable Trust during your life or at death via your will or trust. Through your Charitable Trust, you will build a permanent legacy in your name. You can choose to support The Foundation's grants program, a field of interest, or specific nonprofits that are important to you. Each type of trust (Charitable Remainder Trust or Charitable Lead Trust) offers distinct advantages. Talk to your advisor about which option is best for you.

CHARITABLE REMAINDER TRUST (CRT)

A Charitable Remainder Trust is a gift that gives back. This flexible estate and financial planning tool allows you to give assets (such as cash, securities, or real estate) to a CRT and ultimately to The Foundation. In return, you receive benefits including income for life or a specified term and reduced estate, capital gains, and income taxes. After the death of the income beneficiaries, assets remaining in the CRT pass to The Foundation to support the causes or nonprofits you have chosen.

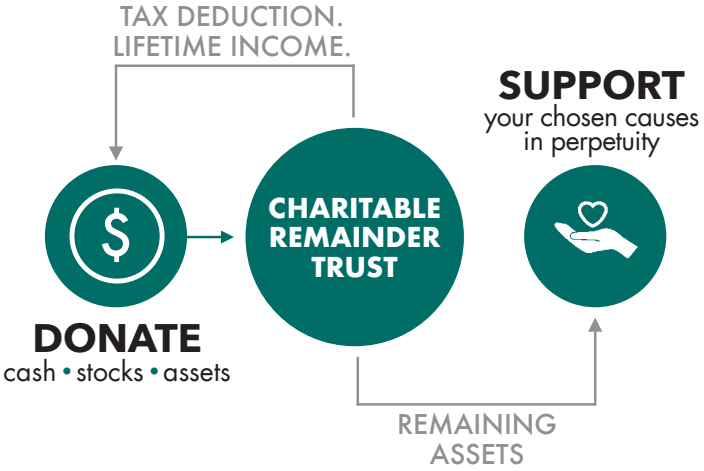
When you create a Charitable Remainder Trust, you have two choices:

Charitable Remainder Annuity Trust (CRAT)

- A CRAT pays income beneficiaries a **fixed annual amount** (not less than 5% of the initial fair market value of all property placed in trust).
- Payments from a CRAT do not vary, and this predictability appeals to donors who don't want their payout tied to market performance.
- No additional contributions to a CRAT are permitted after it is created.

Charitable Remainder Unitrust (CRUT)

- A CRUT pays income beneficiaries a **variable annual amount** equal to a fixed percentage (not less than 5%) of the net fair market value of the CRUT's assets. You specify the percentage when you create the CRUT.
- Trust assets are revalued annually, and your payout is adjusted accordingly.
- You may contribute additional assets to a CRUT after it is created.



CHARITABLE LEAD TRUST (CLT)

A Charitable Lead Trust makes annual gift payments from its assets to The Foundation. At the end of a set term of years, the remaining assets in your CLT pass back to you, the donor, or to designated beneficiaries such as children or grandchildren.

To establish your CLT, you will need to transfer assets (such as cash, appreciated marketable securities, closely held stock, or real estate) to a trust.

Once established, your CLT makes annual payments from its assets to The Foundation for a term of years that you set when you create the CLT.

You choose whether your CLT annually pays out a fixed amount (Charitable Lead Annuity Trust) or a percentage of its assets (Charitable Lead Unitrust).

After this term ends, assets remaining in the CLT pass back to you or your designated beneficiaries with reduced generation-skipping, gift, and estate taxes.

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Since 1954 • Over $1 billion of assets • Over $1 billion in grants in past 25 years

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