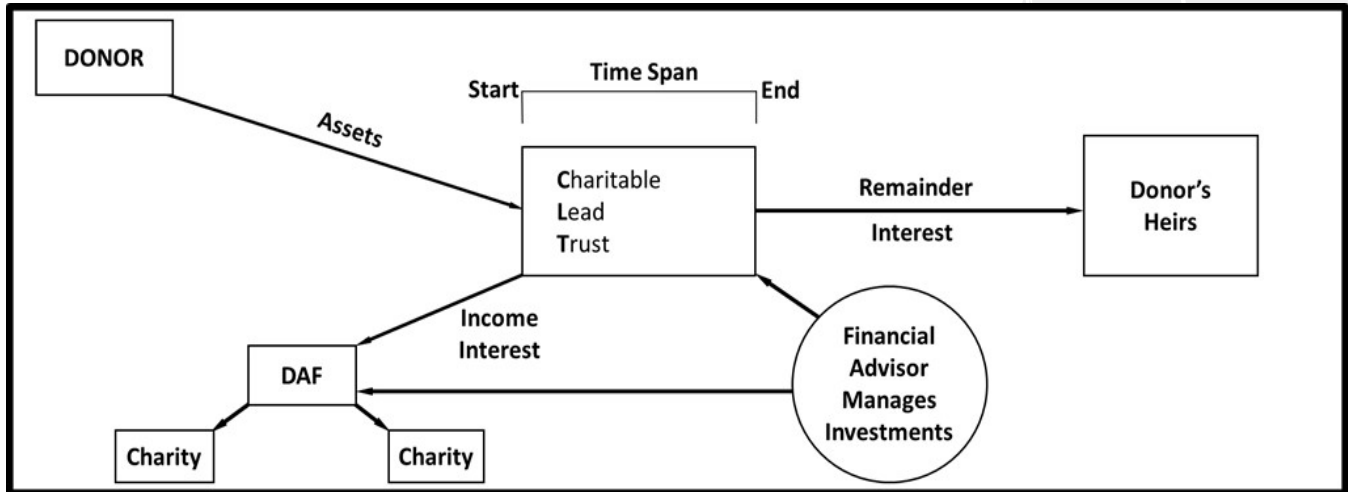




American Endowment Foundation

# Charitable Lead Trusts

Donor advised funds and charitable lead trusts can work together in innovative ways



## Naming AEF as a beneficiary in a Charitable Lead Trust:

Donors can create an opportunity for continuing family involvement by naming American Endowment Foundation as the annual recipient on a charitable lead trust (CLT). Here's how it works:

- A donor contributes assets to a charitable lead trust (CLT) for a specified period (either a term of years or someone's lifespan.)
- Distributions are made annually from the CLT to the donor advised fund (income interest.)
- The donor and their family recommend distributions periodically to charities from the family donor advised fund.
- After specified period, the principal (remainder interest) goes to the donor's heirs (or other designated beneficiaries).

## Benefits in this process include:

- Continuing family involvement.
- Provides a unique forum for families to work together.
- Offers the opportunity for several generations to join in a common purpose.
- May become the "link" that connects families whose branches are increasingly geographically dispersed.