Larry and Julia Pollock
Grateful for the excellent care he has received from Cleveland Clinic, Larry Pollock, Managing Partner of a private equity firm, and his wife, Julia, say they want to show their appreciation while helping others. Through making a gift in their family’s name, they say they can show their children the importance of giving back to the community.

“The lead trust tied in perfectly with our estate planning as a way that we could benefit Cleveland Clinic’s continuing great medical care, research and innovation, as well as serving as a good vehicle to support our family.”
—Larry and Julia Pollock

Distributions from the Pollocks’ lead trust are funding a life insurance policy that ultimately will benefit the Sydell and Arnold Miller Family Heart and Vascular Institute at Cleveland Clinic.

Charitable Lead Trust
A charitable lead trust (CLT) may appeal to individuals who wish to make a gift but want to retain the property in their family. You can establish a lead trust that provides income to Cleveland Clinic over a set period. At the end of the trust term, the assets either are returned to you or distributed among family. The principal advantage of this type of gift is that it can significantly reduce or even eliminate gift or estate taxes.

Cleveland Clinic is grateful for all gifts. We would be glad to work with you and your advisors to arrange a gift plan that best suits your objectives. To discuss your charitable goals in confidence with one of our gift planning professionals, please call 216.444.1245 or 800.223.2273, Ext. 41245, and ask for Gift Planning, or send an email to giftplanning@ccf.org.
Charitable Lead Trusts

Charitable lead trusts (“CLTs”) are an excellent way to give immediate and sustained support to the Cleveland Clinic. Although there are several types of lead trusts, donors are generally seeking to lower their gift and estate taxes while leaving their children and grandchildren a larger inheritance. CLTs enable individuals to pass assets to their heirs at reduced tax rates.

What is a charitable lead trust?
A charitable lead trust is an irrevocable trust account, funded with cash, stock, bonds, land, or other marketable assets. The trust makes periodic payments to a designated charity for a specified term of years or for the lives of one or more individuals. At the end of the trust, the remaining assets are distributed to the designated heirs.

There are two basic types of charitable lead trusts: those where the assets revert to the donor when the trust ends (grantor lead trust) and those where the assets pass to persons other than the donor when the trust ends (non-grantor lead trust). Because most charitable lead trusts are used to transfer assets to heirs, we will focus just on non-grantor lead trusts.

What are the benefits of a charitable lead trust?
• CLTs are a generous way to support Cleveland Clinic with regular, dependable gifts.
• You choose the time period of the trust. This makes CLTs a strategic way to time the passage of assets to heirs – perhaps at the time when these assets may make a big difference in their lives, such as when their children will be entering college.
• A non-grantor lead trust is a tool to transfer assets to heirs at a reduced gift and estate tax cost. The assets in the trust are removed from your taxable estate, so any future appreciation in value will accrue to your heirs rather than to you.

How is the annual payment to Cleveland Clinic determined?
• In a unitrust, the trust’s assets are valued annually, and Cleveland Clinic receives a fixed percentage of that amount annually.
• In an annuity trust, Cleveland Clinic receives a fixed annual payout that remains constant, regardless of the value of the trust assets.

The tax benefits of a CLT are a function of many factors, including:
• the value of the donated asset
• the duration of the trust
• the type of trust (grantor or non-grantor; annuity trust or unitrust)
• the charitable payout rate
• the federal discount rate, which is set by the Federal Reserve Board

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