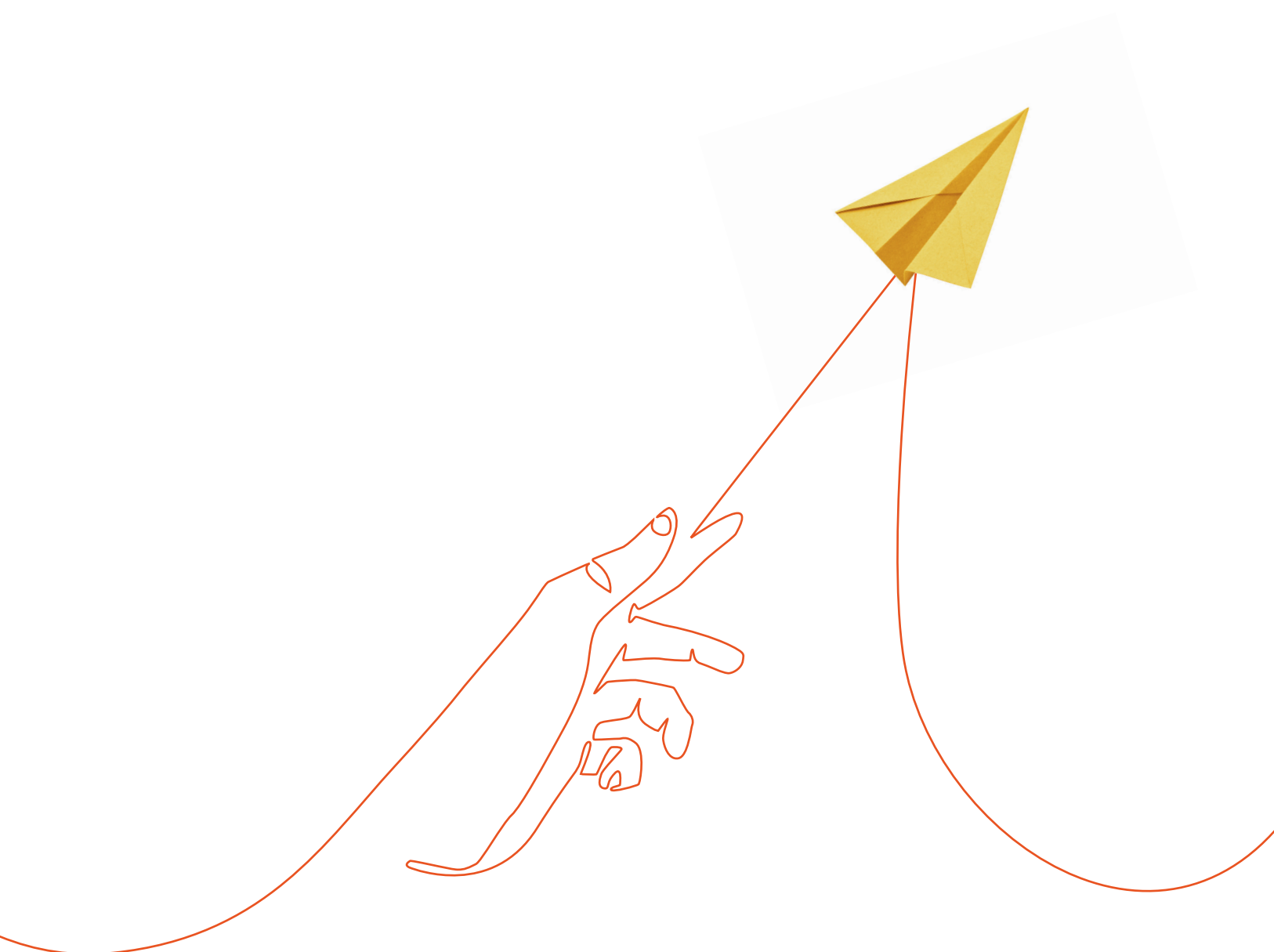


CAF CHARITABLE TRUST

Guide to your CAF Charitable Trust



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This guide, along with the Terms and conditions, contains all the information you will need to open and run your CAF Charitable Trust. Please keep it safe so you can refer to it at any stage of your giving journey.

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Please note that this guide is for the use of individuals. If you are an organisation wishing to open or operate a CAF Charitable Trust please contact our account team.

Data Protection and Privacy

We take data protection and privacy very seriously. Our Privacy notice at www.cafonline.org/privacy governs the way in which we collect, retain and use personal data. We shall ensure that we only hold personal data for as long as it is needed and that it is held securely.

Charities Aid Foundation

We are a charity dedicated to getting the best for our donors and the charities they support.

For over 90 years, we have found the most effective and efficient ways to connect our donors to the causes that matter to them and for money to get where it's needed.

Making an impact in the charitable sector is what drives us. That's why we have spearheaded many of the changes that make the UK one of the best giving environments in the world. We help our donors give an average of over £1million to thousands of charities across the world each day.

Join us and be a part of something big

'My charitable trust is one of the things I am most proud of, and something I hope to leave long after I have left the planet. And with CAF it was so easy to establish.'

Bradley Reback

Entrepreneur featured on Channel 4's
Secret Millionaire and CAF client

Making your long-term giving simple

The CAF Charitable Trust enables you to create a charitable fund today, and then distribute the funds within it to single or multiple causes over a period of time. It has the flexibility to allow you to create a structured long-term giving plan, make ad hoc donations in response to causes that interest you or to support social investment initiatives.

We make your giving easy by alleviating many of the time-consuming tasks normally involved in running a charitable trust, so you can focus on supporting the causes that are important to you.

Features of every CAF Charitable Trust

- access to a team of experienced private client managers who will assist with the operation of your CAF Charitable Trust
- access to online management
- quarterly statements
- you choose the causes you want to support and we'll undertake due diligence to offer assurance that they have a valid Charitable Purpose
- flexibility in funding your CAF Charitable Trust through credit cards, bank transfers, cheques, listed shares, payroll giving, proceeds of a property sale and legacies
- full tax benefits: we'll reclaim and add Gift Aid where applicable and make it easy for you to obtain relief from income tax, capital gains and inheritance tax, where appropriate
- a range of investment options are available to you from a variety of funds and savings products
- access to our philanthropy advisors and consultants; if you choose to subscribe to the CAF Advisory and Consulting Services

Additional features of the Premier Service

- your personal private client manager to guide you through your giving programme
- ability to donate shares, property, land or other non-cash assets on an unconditional or conditional basis, where you make a specific request around the sale or use of the asset
- overseas grantmaking to named charities or general charitable causes
- advanced grantmaking support such as identifying and managing grant recipients
- the potential to provide repayable funding to your chosen charitable causes
- a wider range of investment options to support your longer term giving aims, including access to the CAF Managed Portfolio Service¹. Subject to prior approval, CAF may also be able to work with your existing investment managers.
- access to CAF's pioneering social investment fund, the CAF Social Impact Fund, which allows you to maximise your social impact by lending to charities that need repayable finance

There are two service options for the CAF Charitable Trust, the Standard Service and the Premier Service. The Premier Service is designed to support even the most complex giving needs and allows access to many additional features, examples of which are listed above.

Please note that some of these features may carry additional fees. For details of the fees, please see the CAF Charitable Trust Terms and conditions and the Fee schedule which accompany this guide.

¹ See separate CAF Managed Portfolio Service brochure for details

For those with more complex giving requirements, if you'd like more information please contact us on 03000 123 028.

Operating your CAF Charitable Trust

Opening your CAF Charitable Trust

You will need a minimum of £10,000 to open a CAF Charitable Trust, and you should refer to the service description on page 4 of this guide, and accompanying Terms and conditions and Fee schedule to help you decide whether you would like a Premier or Standard level of service. Please be aware that the Premier Service is designed to operate with a Minimum Balance of £25,000.

You'll need an application pack from one of our private client managers which contains all the forms you'll need, including:

- an Application form
- supplementary forms for additional Original Donors (if required)
- a Letter of Wishes
- an Appointment of Successor form
- Additional Signatory forms (if required)

If you haven't received these forms please contact a private client manager, who will guide you through the appropriate forms and through the opening process. Contact details can be found on the back page of this guide.

Once you have completed and signed all the forms we will open your CAF Charitable Trust and you will be sent a welcome letter to get you started.

In order to comply with UK anti money-laundering regulations, we are required to complete checks on individuals involved in managing the CAF Charitable Trust before your application can be accepted.

Wherever possible these checks are performed electronically. In certain circumstances, however, it may be necessary to request additional documentation to satisfy our requirements under the Regulations.

Appointing others to help you manage your CAF Charitable Trust

You can appoint others to operate your CAF Charitable Trust as additional Original Donors or Additional Signatories.

Original Donor

When you open your CAF Charitable Trust you become an Original Donor and you have the option to add up to five more Original Donors who will have the same powers as the person opening the trust. For more details, please see the CAF Charitable Trust Terms and conditions.

To add an Original Donor please fill in the relevant section at the end of the Application form. If you wish to add more than one additional Original Donor please ask a private client manager for the appropriate supplementary sheets.

Additional Signatory

You can appoint Additional Signatories to request distributions and investments from your CAF Charitable Trust, but they cannot complete a Letter of Wishes, appoint a Successor or appoint another Additional Signatory (please see page 9 for further information).

All Original Donors and Additional Signatories are able to make requests in relation to the distribution and investment of your CAF Charitable Trust independently of each other.

Should such requests appear to be in conflict, the latest request will always prevail. However, if there is a persistent conflict between such requests, CAF retains the right to suspend any activity in relation to the CAF Charitable Trust pending resolution of such conflict.

Operating your CAF Charitable Trust

Funding your CAF Charitable Trust and understanding the tax benefits

You can add to your CAF Charitable Trust in several ways:

Donating cash

- bank transfer
- direct debit
- cheque
- credit/debit card
- through your employer's payroll giving scheme, such as CAF Give As You Earn®

You can top up your CAF Charitable Trust through CAF's Website, or a private client manager can help you set up any of the above payment methods.

Gifts of cash by UK tax payers may be eligible for tax benefits. Where the gift is eligible for Gift Aid we will automatically reclaim this and add it to your CAF Charitable Trust. You may be eligible for further income tax relief, if you are a higher rate tax payer (you should seek independent advice in this regard).

Gifting shares

You can gift shares to your CAF Charitable Trust. Shares gifted or sold to charity may be exempt from capital gains tax. Income tax relief may also be available on the market value of the shares and securities that are listed or dealt on a recognised stock exchange; or for UK authorised Unit Trusts, UK open-ended investment company shares and certain foreign collective investment scheme holdings.

There are two options: either you can gift the shares to CAF or sell them to CAF for a percentage of their market value. In both cases we will place the proceeds into your CAF Charitable Trust for you to distribute.

Gifting other assets

If you subscribe for the Premier Service you may also wish to fund your CAF Charitable Trust by donating other types of assets.

The plans you have for such assets will affect the way in which they can be placed into your CAF Charitable Trust. For example, whether you wish the value of the asset to increase the funds in your CAF Charitable Trust available for charitable giving overall or whether you wish the asset itself to be used for a specific Charitable Purpose.

If this is something that you would like to consider, your private client manager will be able to give you more details and guidance.

Important information

It is also worth remembering that the value of any gift to charity, including a donation to your CAF Charitable Trust, will never form part of your estate for Inheritance Tax purposes.

CAF is unable to provide you with advice on your personal tax situation and so we always recommend that you consult an appropriate professional adviser if you are considering making a gift of any kind noted in this guide.

Running your CAF Charitable Trust

Our private client managers are here to help you with the day-to-day management of your CAF Charitable Trust so you can call them with any request or question you may have, from where you can invest the capital in your CAF Charitable Trust to making grants.

Distributing your CAF Charitable Trust

When distributing funds from your CAF Charitable Trust, there are many options available to you:

- CAF voucherbook (which allows you to write vouchers to any valid charity that CAF then settles out of your CAF Charitable Trust)
- CAF CharityCard (which is an electronic version of the CAF Charity Voucher Book that works with participating charities)
- standing orders
- online transfers
- direct request to a private client manager

Managing your CAF Charitable Trust online

As well as using a private client manager, you can also manage certain day-to-day activities online. Here you can:

- top up your CAF Charitable Trust
- view the cash balances in your CAF Charitable Trust
- make ad hoc donations of up to £9,999
- set up and amend standing order donations to your chosen charities
- view, download and print copies of your CAF Charitable Trust statements
- set up ad hoc donations to single or multiple charities

Validating the Charitable Purpose

You can request that we use the funds comprising your CAF Charitable Trust to support any charitable cause and when you do we will undertake due diligence to reassure you that the cause, whether in the UK or overseas, has a valid Charitable Purpose (see definitions in the CAF Charitable Trust Terms and conditions).

Getting advice

Our global philanthropy advisors offer advice on all aspects of giving, from helping you to identify the causes that are important to you, to creating a sustainable strategy to support them. If there are any areas you'd like to understand better or explore further, please speak to a private client manager who will arrange contact with a member of our advisory team.

Please note that this is an additional service, which attracts additional fees.

Our charges

Your CAF Charitable Trust administration fees, as set out in the Fee Schedule, are deducted from your trust's income account.

Operating your CAF Charitable Trust

Investing your CAF Charitable Trust

There are a number of options available for the funds held in your CAF Charitable Trust. You can request that the funds are held in cash, or if you'd like the potential to generate greater income and capital growth, you can ask us to invest them, or hold them in one of the savings accounts available. The cash deposit account provides quarterly interest on your funds, and gives instant access to enable you to make donations to your favourite causes when you wish. You are reminded that ultimately the discretion as to what to do with the funds is CAF's.

Cash Accounts

For interest rates of the cash deposit account, please visit www.cafonline.org/trustinterest or contact a private client manager.

Separate to the cash deposit account, we will operate a non-interest bearing capital account for each CAF Charitable Trust. This is used to manage transactions relating to the funds held, and in particular for buying or selling longer term savings and investments.

Savings

As well as the cash account of your CAF Charitable Trust, there are also a number of term deposit account options. These accounts are provided by partners of CAF and have varying terms and rates, which are updated regularly.

Details of the current range of savings accounts are available from a private client manager.

Investments

There is a range of investment solutions for your CAF Charitable Trust, including the investment funds offered by CAF Financial Solutions Limited. For more information about your options, please ask a private client manager for details. You can also visit the CAF Investment Knowledge Centre at <http://caf.octopusinvestments.com> if you would like to find out more about investments in general.

Premier Service clients are also able to access other investment options. Your private client manager will be able to discuss these options with you.

In certain circumstances, we might be able to work with your existing investment managers. Please speak to your private client manager to find out more information.

CAF Managed Portfolio Service

A Premier Service client will also have access to the CAF Managed Portfolio Service, provided by our award winning third party providers, Octopus Investments Limited. Through the CAF Managed Portfolio Service, Octopus offers professional investment advice to your CAF Charitable Trust helping to develop and implement a strategy to meet your giving objectives. Once an investment strategy has been selected, Octopus will provide ongoing portfolio management to ensure your CAF Charitable Trust's investments continue to meet it. Through this service, the funds that comprise your CAF Charitable Trust can be invested in a wide range of funds, professionally selected and managed within a single portfolio structure.

How is the income on my investments and deposits captured?

Any income or interest earned in relation to the savings or investments held in your CAF Charitable Trust is automatically transferred to your trust's non-interest bearing income account, so that it is ready to be distributed to charity or re-invested at your request.

Social investment

If you subscribe to the Premier Service, you may also wish to support social investment which uses funds to achieve both a social and financial return. Our social investment team, CAF Venturesome, provides affordable repayable finance to charities and social enterprises working across all sectors, in the UK and overseas. You can use the funds that comprise your CAF Charitable Trust to support our social investment funds. To find out more about this, please speak to a private client manager or visit: www.cafonline.org/supportsocialinvestment

Succession planning for your CAF Charitable Trust

You also have the option to ensure your CAF Charitable Trust continues beyond your lifetime by nominating others to succeed you. If you do not appoint a Successor then you should complete a Letter of Wishes to tell us where you'd like to distribute the funds of your CAF Charitable Trust after your lifetime.

Appointing a Successor

You can nominate up to two Successors for every CAF Charitable Trust. To do so, please fill in the relevant section of the Application form, or fill in an Appointment of Successor form, which a private client manager will supply you with. Your Successor(s) will be able to continue administering the CAF Charitable Trust in exactly the same way as an Original Donor.

The appointment of a Successor to your CAF Charitable Trust will only take place after the death of the last Original Donor (if there is more than one).

Letter of Wishes

You should fill in a Letter of Wishes, so we are aware of your wishes in relation to the distribution of the funds in your CAF Charitable Trust after your lifetime, should you not have a Successor or the appointment of a Successor has failed (for example, because the nominated Successor has died before the Original Donor).

A Letter of Wishes form will be available from a private client manager.

If you do not complete a Letter of Wishes or an Appointment of a Successor form then we will distribute the funds according to CAF's general Charitable Purpose.

Leaving a charitable legacy

You can leave a further gift to your CAF Charitable Trust in your will, which will then be distributed as you requested in your Letter of Wishes, or managed by your Successor.

The wording can be very simple but it is important to ensure that the relevant section of your will is drafted appropriately to ensure that the gift can be easily directed to your CAF Charitable Trust.

If this is something you would like to consider, please contact a private client manager and they will be pleased to let you have the appropriate wording to enable you to make such a gift.

As we are unable to provide you with advice on the preparation of your will and any estate planning, we always recommend that you consult an appropriate professional adviser in these circumstances.

Contact details

Please note, telephone calls may be monitored or recorded for security/training purposes.

Premier Service

If you have forgotten or are unsure of the contact details of your personal private client manager they can be found on the back of your latest statement or you can use the contact details below and one of the team will assist you.

T: 03000 123 028

E: trusts@cafonline.org

Standard Service

If you have the Standard Service, our team of private client managers are contactable on:

T: 03000 123 614

E: standardtrusts@cafonline.org

Alternatively you may wish to write to us at our head office (address details are on the back page of this guide) with correspondence marked for the attention of the Head of Private Clients.

Feedback

If you would like to tell us what you think, our private client managers would love to hear from you. Please get in touch with any thoughts you may have about the services we provide.

If you have a formal complaint, we will make every effort to resolve it quickly and fairly. We have a complaints procedure in place that a private client manager can provide details of, or you can find it set out on the CAF website:

www.cafonline.org/complaints

Referrals

If you have any friends or family who you believe will be interested in this service, then please ask them to contact either your private client manager or the team on 03000 123 028 and we will be happy to speak with them.



Take your giving further with philanthropy services from CAF

CAF offices

London office

Charities Aid Foundation
10 St Bride Street
London EC4A 4AD

Head office

Charities Aid Foundation
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4TA

W: www.cafonline.org

2424G/0518

Registered charity number 268369

CAF
Charities Aid Foundation