THE LOVETT SCHOOL

GIFTS of STOCK

Giving long-term appreciated stock or mutual fund shares offers two-fold tax savings:

1. You avoid paying any capital gains tax on the increase in value of your stock.
2. You receive an income tax deduction for the full fair-market value of the stock on the date of the gift (regardless of what Lovett nets when it sells the stock).
3. You may deduct up to 30% of your adjusted gross income with an additional five-year carry forward. The carry forward provision allows you to use the deduction in future years, spreading your deduction over six years potentially.

Other benefits of making gifts or pledge payments with appreciated securities:

1. Such a gift may not impact your income stream as much as a gift of cash.
2. Using securities, may allow you to maximize the gift you wish to make.
3. The gift process (electronic transfer in most cases) can be handled easily by your broker and the Lovett Development Office.

An example:

If you bought stock many years ago for $1,000 and it is now worth $10,000, an outright gift of that stock to Lovett would result in a charitable deduction of $10,000. In addition, you would permanently avoid capital gains taxes on the $9,000 of appreciation.

For additional information please contact:

The Lovett School
Advancement Office
phone: 404-262-3032, ext. 1229
fax: 404-261-1967
e-mail: april.perez@lovett.org

Transfer Instructions:

1) Advise the Advancement Office of the number and type of shares being transferred so that we can alert the broker and insure proper credit to your account and an accurate receipt and tax letter.
2) Merrill Lynch, Contact: Patty Kopanski (404-264-2930)
3) Merrill Lynch DTC#: 8862
4) Lovett Account #: 706-04G51

This information should not be construed as professional financial or legal advice. We urge you to discuss your tax-planning situation with your accountant or other professional advisor.
ALWAYS NOTIFY THE DEVELOPMENT OFFICE
of the number and type of shares being transferred and the purpose for which they
are intended (campaign, annual fund, etc.)

Fax 404-261-1967, Voice 404-262-3032 (ext. 1229), or by e-mail
april.perez@lovett.org

DRAFT SECURITIES TRANSFER AUTHORIZATION LETTER

DATE

Donor’s Broker
Address
Address

Dear __________________,

Please transfer immediately (or whatever date is appropriate) shares of ______ stock in
the amount of $________ (or Please transfer immediately ____ shares of _____ stock)
from my account, #_________________ to the Lovett School’s Merrill Lynch account,
706-04G51.  Merrill Lynch’s DTC Clearing number is 8862.  The contact person at
Merrill Lynch is Patty Kopanski, 404-264-2930.

This transfer of stock constitutes a 200__ charitable gift to the Lovett School (tax id # 58-
0619038) as a (gift or pledge payment) for my commitment to the Capital Campaign/
Endowment/Annual Fund/or whatever purpose is intended.

Sincerely,

(donor’s signature)

Donor’s Name

C: April M. Perez
    Director of Advancement Services
    The Lovett School
    4075 Paces Ferry Road NW
    Atlanta, GA  30327
    Voice: 404-262-3032 (ext. 1229)
    Fax: 404-261-1967
    april.perez@lovett.org