

July 22, 2014

Mr. Benjamin Taylor  
12772 Happy Lane  
Anytown, OH 12345

Dear Mr. Taylor,

Thank you again, for choosing a Catholic Gift Annuity as a way to leave a legacy gift to benefit **St. Mary's Catholic School in Anytown, Ohio.**

Enclosed you will find the following documents to complete your contract:

1. Welcome Letter from Fr. Jack Wall
2. Catholic Extensions obligation letter
3. The 4 page Gift Annuity Agreement
  - a. Page 3 in duplicate, please sign and return both copies
4. Summary of Benefits\*
5. Taxation of Gift Annuity Page\*
6. IRS - W9 Verification of Social Security number
7. Please send proof of age, copy driver's license

\*These pages do not need to be returned to Catholic Extension.

Provided is a postage paid envelope for you to return the agreement. Once we received the above pages, we will sign and return one fully executed agreement for your records.

If you have any questions, please do not hesitate to call.

Sincerely,

Bobbi Hannigan  
Manager of Diocesan Initiatives

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Building Faith | Inspiring Hope | Igniting Change

July 22, 2014

Mr. Benjamin Taylor  
12772 Happy Lane  
Anytown, OH 12345

Dear Mr. Taylor,

On behalf of Catholic Church Extension Society, I thank you for your very generous support of the **St Mary's Catholic School, in Anytown, Ohio.**

The proceeds from your gift will be used to establish the enclosed Catholic Gift Annuity #123456 in the amount of \$10,000 dated July 15, 2014. Payments will be made semi-annually beginning on January 1, 2015 and will be sent electronically to your checking account at **Community Bank**. A confirmation of your semi-annual deposit will be mailed to you from our bank, State Street Charitable Asset Management.

Our interpretation of the amount available to you as a charitable contribution for federal income tax purposes is \$5,140.20. This amount represents the difference between the value of the property described above and the value, calculated in accordance with IRS valuation tables, of the annuity payable under your deferred gift annuity contract (\$4,859.80). Tax information is attached to the agreement. Please consult with your tax advisor before claiming a charitable deduction for your gift.

Please sign your name on **Page Three of both signature pages and have your signature witnessed. Promptly return the entire annuity contract and both signature pages to us in the enclosed business reply envelope for completion.** Then, we will sign the signature pages and return one fully executed agreement for your records.

Also, please send a copy of your driver's license, birth or baptismal certificate along with the enclosed W-9 form completed. These forms will be kept in your file and are for internal purposes only.

We could not be more grateful to you for your outstanding generosity and your commitment to the future of the Catholic Church.

With prayerful best wishes, I am

Sincerely,

Reverend John J. Wall  
President



Building Faith | Inspiring Hope | Igniting Change

July 22, 2014

Dear Mr. Taylor,

Thank you for the contribution to Catholic Church Extension Society of the United States of America (Catholic Extension) for a Catholic Gift Annuity to benefit **St. Mary's Catholic School, Anytown, Ohio**. The payments set forth in the agreement are guaranteed and will be made to the persons named in the agreement for life.

The annuity payments are a general obligation of Catholic Extension and are backed by all of our assets. As of December 31, 2013, Catholic Extension's total assets exceeded \$200,000,000, and are invested generally in equities, bonds and federal obligations. Included in the total invested assets is a gift annuity reserve fund, the value of which exceeds \$52,000,000. The annuity reserve fund is invested in accordance with the laws of the states which regulate the issuance of charitable gift annuities. Charitable Asset Management, State Street Global Advisors is the administrator of our fund.

Catholic Extension has been issuing annuities for over 100 years and we have never missed a payment. Responsibility for governing the organization is vested in our Board of Governors.

Common investment funds managed by Catholic Extension are exempt from registration requirements of the federal securities laws pursuant to the Philanthropy Protection Act of 1995. Information in this letter is provided to you in accordance with the requirements of that Act.

We would be pleased to provide any additional information at your request.

Sincerely,

Kevin P. McGowan  
Chief Financial Officer

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150 South Wacker Drive, 20th floor, Chicago, IL 60606 | 1.800.842.7804

[catholicextension.org](http://catholicextension.org)

**Catholic Gift Annuity**  
Administered by  
**Catholic Church Extension Society  
of the United States of America**  
**GIFT ANNUITY AGREEMENT #123456**

**One Life - Donor is the Annuitant  
Payments are Deferred**

This Agreement is made between Benjamin Taylor of 12772 Happy Lane, Anytown, OH 12345 (hereinafter "the Donor"), and Catholic Gift Annuity, assumed name Catholic Church Extension Society, of 150 S. Wacker Dr., Suite 2000, Chicago, IL 60606 (hereinafter "Catholic Gift Annuity").

**1. Transfer of Property by Donor**

Catholic Gift Annuity certifies that the Donor, as an evidence of his desire to support the work of Catholic Gift Annuity and to make a charitable gift, on July 15, 2014 contributed to Catholic Gift Annuity the property described in Schedule A attached hereto, the fair market value of which is \$10,000.00.

**2. Payment of Annuity**

In consideration of the property transferred by the Donor, Catholic Gift Annuity shall pay to the Donor an annual annuity of \$680.00, commencing January 1, 2020 and continuing for the rest of his life. If the Donor dies before January 1, 2020, Catholic Gift Annuity is released from all obligations under this Agreement.

**3. Payment Dates; First Installment**

The annuity shall be paid in semiannual installments of \$340.00 at the end of the period. The first installment shall be payable on January 1, 2020.

**4. Birth Date of Donor**

The birth date of the Donor is December 15, 1944.

**5. Payment Correction**

If the stated birth date of the Donor should be found to be incorrect at any time, the amount payable or benefit accruing under this Agreement shall be such as would have been provided according to the correct birth date. If any underpayment or overpayment has been made on account of such misstatement, any such underpayment shall promptly be paid to the Donor, and any such overpayment shall be charged against the current and/or next succeeding payment(s) to the Donor.

**6. Irrevocability; Non-assignability; Termination**

This annuity is irrevocable and non-assignable, except that it may be assigned to Catholic Gift Annuity. Catholic Gift Annuity's obligation under this Agreement shall terminate with the regular payment preceding the Donor's death.

**Benjamin Taylor**

**Annuity #123456**

**7. Uses and Purposes of Gift**

The payment of the annuity described in this Agreement shall be a general obligation of Catholic Gift Annuity. Except as may be specifically required by applicable state law, the property described in Schedule A shall be restricted for use by Catholic Gift Annuity program. Any residuum will be distributed as specified in Schedule A of this agreement.

**8. Entire Agreement; Governing Law**

This Agreement, together with Schedule A attached hereto, constitutes the entire agreement of the parties. Any calculations provided to the Donor are for illustration purposes only and are not incorporated into this Agreement. Except as may be specifically otherwise required by any statute governing charitable gift annuities in effect in the state of residence of the Donor at the time of this Agreement, this Agreement shall be governed by the laws of the state of Illinois. Any action under this Agreement shall be in the State of Illinois. The parties submit to jurisdiction in any Illinois court and waive any objection to such venue.

This Agreement is effective as of July 15, 2014.

IN WITNESS WHEREOF, Catholic Gift Annuity and Donor have executed this Gift Annuity Agreement No. 123456 in two counterparts, each of which shall be deemed an original, on the date first stated above

DONOR:

Catholic Gift Annuity, assumed name  
Catholic Church Extension Society:

\_\_\_\_\_  
Benjamin Taylor

By: \_\_\_\_\_  
Kevin P. McGowan  
Chief Financial Officer

WITNESSED:

By:

\_\_\_\_\_

\_\_\_\_\_  
(Name of Witness) please print

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(City, State, Zip)

This Agreement is effective as of July 15, 2014.

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DONOR:

Catholic Gift Annuity, assumed name  
Catholic Church Extension Society:

\_\_\_\_\_  
Benjamin Taylor

By: \_\_\_\_\_  
Kevin P. McGowan  
Chief Financial Officer

WITNESSED:

By:

\_\_\_\_\_

\_\_\_\_\_  
(Name of Witness) please print

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(City, State, Zip)

**Gift Annuity Agreement Between  
Benjamin Taylor and  
Catholic Gift Annuity,  
Administered by  
Catholic Church Extension Society  
of the United States of America**

**SCHEDULE A**

The following assets were irrevocably given to Catholic Gift Annuity , by the Donor, Benjamin Taylor under Gift Annuity Agreement # 123456 on the gift date 7/15/2014.

**Description of Property**

**10,000.00 Cash**

**Distribution of Residuum Upon Termination of Agreement**

<u>Percent of Residuum</u>	<u>Charitable Organization and Address *</u>
90%	St. Mary's Catholic School, Anytown, OH
<u>10%</u>	Catholic Gift Annuity Reserve
<u>100%</u>	Total





**CATHOLIC GIFT ANNUITY**  
**Administered by Catholic Church Extension Society**  
**Taxation of Gift Annuity Payments**

Prepared for:  
 Benjamin Taylor  
 July 22, 2014  
 Annuity#123456

**6.8% Deferred Gift Annuity**

**ASSUMPTIONS:**

Annuitant	[12/15/1944] 70
Date of Gift	7/15/2014
Age at Date of First Payment	[1/1/2020] 75
Cash Donated	\$10,000.00
Payout Rate from ACGA2012 Table	6.8%
Payment Schedule	semiannual

**CALCULATIONS:**

Charitable Deduction	\$5,140.20
Number of Payments in First Year	2
Annuity	\$680.00
Semiannual Payment	\$340.00

**BREAKDOWN OF ANNUITY:**

	Tax-free Portion	Ordinary Income	Total Annuity
2020 to 2031	395.08	284.92	680.00
2032 to 2032	118.84	561.16	680.00
2033 onward	0.00	680.00	680.00

After 12.3 years from the year the payments begin, the entire annuity becomes ordinary income.

The charitable deduction displayed above is based on an IRS discount rate for a month prior to the month of gift. To take your deduction based on this rate, you must specify it in an election statement that you file with your tax return.

Internal Revenue Service

Form **W-9**  
**Substitute**

**Request for Taxpayer  
Identification Number and Certification**

**Name**

Benjamin Taylor

**Address (number, street, and apt. or suite no.)**

12772 Happy Lane

**City, state, and ZIP code**

Anytown, OH 12345

**List account number here (optional)**

**Individual/  
Sole Proprietor**



**PART I TAXPAYER IDENTIFICATION NUMBER (TIN)**

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN).

**Social Security Number**

XXX-XX-XXX

**PART II CERTIFICATION**

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).  
You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you failed to report all interest and dividends on your tax return.

THE INTERNAL REVENUE SERVICE DOES NOT REQUIRE YOUR CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING.

**SIGN  
HERE**

**DATE**