



Building Faith | Inspiring Hope | Igniting Change

May 20, 2014

Elizabeth Smith
12772 Happy Lane
Anytown, OH 12345

Dear Ms. Smith,

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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May 20, 2014

Ms. Elizabeth Smith
12772 Sunny Lane
Anytown, OH 12345

Dear Ms. Smith,

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 May 13, 2014. Payments will be made quarterly and sent electronically to your checking account at **Community Bank**. A confirmation of your quarterly 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 \$4,723.30. 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 gift annuity contract (\$5,276.70). 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



May 20, 2014

Dear Ms. Smith,

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

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
Immediate Payments

This Agreement is made between Elizabeth Smith of 12772 Happy Lane, Anytown, OH 44133 (hereinafter "the Donor"), and Catholic Church Extension Society of United States of America, 150 S. Wacker Drive, 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 May 13, 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 an annual annuity of \$620.00 from the date of this Agreement and shall pay such amount to the Donor so long as he is living.

3. Payment Dates; First Installment

The annuity shall be paid in quarterly installments of \$155.00. The first installment shall be payable on June 30, 2014 in the amount of \$83.46, prorated on the basis of the number of days in the initial payment period. Subsequent installments beginning on September 30, 2014 and continuing every quarter thereafter shall be in the full amount of \$155.00.

4. Birth Date of Donor

The birth date of the Donor is September 18, 1937.

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.

Elizabeth Smith

Annuity #123456

6. Irrevocability; Non-assignability; Termination

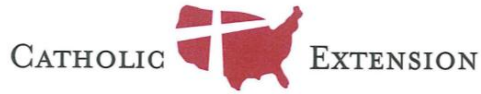
This annuity is irrevocable and non-assignable, except that it may be assigned to Catholic Gift Annuity. Catholic Gift Annuity's obligation under this Agreement shall terminate with the regular payment preceding the Donor's death.

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.



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This Agreement is effective as of May 13, 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,
Administered by
Catholic Church Extension Society
of the United States of America:

Elizabeth Smith

By: _____
Kevin P. McGowan
Chief Financial Officer

WITNESSED:

By:

(Name of Witness) please print

(Address)

(City, State, Zip)

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

catholicextension.org

This Agreement is effective as of May 13, 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

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Catholic Gift Annuity,
Administered by
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of the United States of America:

Elizabeth Smith

By: _____

Kevin P. McGowan
Chief Financial Officer

WITNESSED:

By:

(Name of Witness) please print

(Address)

(City, State, Zip)

**Gift Annuity Agreement Between
Elizabeth Smith 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, Elizabeth Smith under Gift Annuity Agreement # 123456 on the gift date 5/13/2014.

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 Extension Society
Summary of Benefits

Prepared for:
Elizabeth Smith
May 20, 2014

6.2% Charitable Gift Annuity

Annuity #123456

ASSUMPTIONS:

Annuitant	[9/18/1937]	77
Date of Gift		5/13/2014
Cash Donated		\$10,000.00
Payout Rate from ACGA2012 Table		6.2%
Payment Schedule		quarterly at end

BENEFITS:

Charitable Deduction	\$4,723.30
Annuity	\$620.00
Tax-free Portion	\$475.54
Ordinary Income	\$144.46

After 11.1 years, the entire annuity becomes ordinary income.



Catholic Gift Annuity
Administered by Catholic Extension Society
Taxation of Gift Annuity Payments

Prepared for:
 Elizabeth Smith
 May 20, 2014

6.2% Charitable Gift Annuity

Annuity #123456

ASSUMPTIONS:

Annuitant	[9/18/1937]	77
Date of Gift	5/13/2014	
Cash Donated		\$10,000.00
Payout Rate from ACGA2012 Table		6.2%
Payment Schedule		quarterly at end

CALCULATIONS:

Charitable Deduction	\$4,723.30
Number of Payments in First Year	3
Days in First Quarterly Period (4/1/2014 to 6/30/2014)	91
Days of Payment Credit in First Quarterly Period (5/13/2014 to 6/30/2014)	49
Annuity	\$620.00
Quarterly Payment	\$155.00
First Partial Payment on 6/30/2014 (49/91 x \$155.00)	\$83.46

BREAKDOWN OF ANNUITY:

	Tax-free Portion	Ordinary Income	Total Annuity
2014 to 2014	301.78	91.68	393.46
2015 to 2024	475.54	144.46	620.00
2025 to 2025	219.52	400.48	620.00
2026 onward	0.00	620.00	620.00

After 11.1 years, the entire annuity becomes ordinary income.

Internal Revenue Service

Form **W-9**
Substitute

**Request for Taxpayer
Identification Number and Certification**

Name

Elizabeth Smith

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