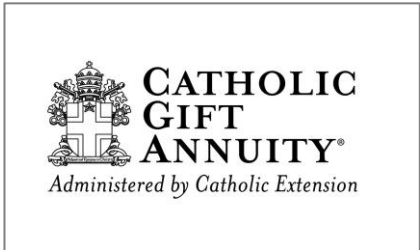


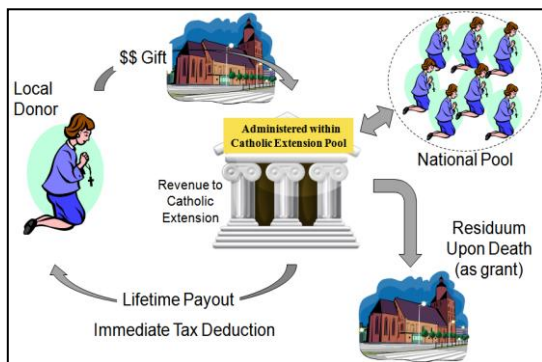
Catholic Gift Annuity

This initiative will provide your fundraisers the ability to offer charitable gift annuities to donors with no risk or fee to the diocese.

As shown in figure 1, a charitable gift annuity is an irrevocable gift that provides a life time of stable payments as well as potential tax benefits. Your donor will be able to indicate the Diocese, Parish or School they wish the remaining balance to benefit upon termination of the contract.



Here is how it works



(Figure 1)

Donor Example, Elizabeth Age 78	
Cash Donated	\$10,000.00
Annuity Rate*	7.6%
Annual Annuity Payment	\$ 760.00
Tax-Free thru expected life of 10.5 years	\$ 517.56
Taxable Portion	\$ 242.44
Charitable Deduction	\$ 4,568.30
Market Value at contract termination*	\$ 5,000.00
Benefit to the Diocese	
Anticipated remaining balance at contract termination	\$ 4,500.00
* Based on ACGA mortality assumptions	

(Figure 2)

We provide standard marketing material and all paperwork required for establishing the gift annuity along with distributing payments, providing annual 1099R forms and terminating the annuity upon donor’s death. At termination, 90% of the remaining balance is sent to your diocese to be used as directed by the donor. The 10% will be retained in the segregated pool to build reserves to meet state regulatory requirements as well as offset potential longevity and investment risk associated with issuing annuities. Figure 2 provides an example of how this benefits the donor and the diocese.

Catholic Extension has been issuing charitable gift annuities since 1912 and currently administers over 2000 contracts. With our experience and the administration in place we are in a unique position to assist you in meeting your donor’s wishes.

For more information, visit our dedicated website www.catholicgiftannuity.org or contact Tom Riordan, Director of Mission Partnerships at 831-320-3571 or triordan@catholicextension.org or Betty Assell, Manager of Annuities at 312-795-6089 or bassell@catholicextension.org

