

Charitable Gift Annuity Application

ANNUITY REQUEST IS FOR (check all applicable):

SINGLE-LIFE GIFT ANNUITY
TWO-LIFE GIFT ANNUITY
DEFERRED ANNUITY (Start Date: _____)

PRIMARY ANNUITANT INFORMATION:

Name: _____

Address: _____

Phone: _____

Birthdate: _____

Soc. Sec. No.: _____

Principal Amount: \$ _____

PAYMENTS TO BE MADE:

Quarterly
Semi-Annually
Annually

SECONDARY ANNUITANT (if applicable):

Name: _____

Address: _____

Phone: _____

Birthdate: _____

Soc. Sec. No.: _____

Detach and return to:

Believers Stewardship Services, Inc.
2250 Chaney Road
Dubuque, IA 52001-2913

What Else Should I Know?

This brochure cannot cover all of the important issues of a Gift Annuity. Some other important facts to keep in mind are:

■ **YOUR GIFT IS IRREVOCABLE. ONCE THE GIFT IS MADE YOU HAVE A GUARANTEED INCOME BUT THE INITIAL GIFT CANNOT BE RETURNED TO YOU.**



■ **THE IRS ASSUMES THAT A PORTION OF YOUR INITIAL GIFT WILL BE RETURNED TO YOU IN THE FORM OF ANNUITY PAYMENTS. THEREFORE ONLY A PORTION OF THE INITIAL GIFT IS TAX DEDUCTIBLE.**



■ **IT IS POSSIBLE THAT LESS THAN THE ENTIRE INITIAL GIFT WILL BE AVAILABLE TO THE CHARITY AT YOUR DEATH. THE RESULT IS DEPENDENT UPON OVERALL INVESTMENT PERFORMANCE.**



■ **RATES USED IN EXAMPLES AND ILLUSTRATIONS ARE SUBJECT TO CHANGE.**

■ **USING A CHARITABLE GIFT ANNUITY MAY PROVIDE YOU WITH SIGNIFICANT ADVANTAGES; HOWEVER, THERE IS NO SINGLE INVESTMENT OR PLANNING PROGRAM WHICH IS RIGHT FOR EVERYBODY. THE DECISION OF WHETHER A GIFT ANNUITY "FITS" MUST ALSO TAKE INTO ACCOUNT YOUR OTHER PLANNING NEEDS AND GOALS.**

Believers Stewardship Services, Inc. ("BSS") is a public charity and, as such, issues Gift Annuities on behalf of itself and other organizations. While some ministries and organizations may issue their own Gift Annuities, many either are too small or lack the administrative ability to issue Gift Annuities. BSS can assist such an organization by issuing and administering Gift Annuities on its behalf. From the donor's perspective, the advantage of using BSS is that the distribution of your Gift Annuity can be designated to support more than one charity and the designated charity or charities may be amended if a charity ceases to exist or a change is otherwise needed. This brochure answers some basic questions about Gifts Annuities and how they can benefit both you and the Kingdom of God.



QUESTIONS & ANSWERS ABOUT Charitable Gift Annuities



888-338-7810

www.believerstewardship.org

What is a Gift Annuity?

A Gift Annuity is a contract between an individual (or a couple) and a qualified charity, which exchanges a gift to the charity for an annuity. An annuity is a guaranteed lifelong income stream to the individual (or couple) making the gift to the charity.

What Are the Payment Options?

Your financial situation will impact the payout option you select. The three payment options are:

- *A single-life annuity with a fixed income paid to you or a friend for life.*
- *A two-life annuity with a fixed income paid until the death of the survivor.*
- *A deferred annuity that delays income payments until a specified date (e.g., the date of anticipated retirement or greater need).*

How Much Will My Income Be?

The income level depends on your age when payments start and whether the income is for the lifetime of one person or two persons. The older the beneficiaries are

at the beginning of the payout period, and the fewer their number, the higher the level of income will be. For example, based upon rates effective at the time of this writing, a person who is currently 70 receives a rate of 6.5%. The rate for a 75 year old is 7.1%. A couple ages 70 and 75, respectively, payable until the death of the survivor will receive a rate of 6.1%.

Will My Rate of Return Change?

Although rates may change for new Gift Annuities, the rate for any established Gift Annuity will remain the same throughout the life of the contract. Once you take out a Gift Annuity, your payment amount is guaranteed for life, regardless of what happens to the economy or stock market.

How Secure is a Gift Annuity?

The concept is nothing new. In fact, Gift Annuities have been used since before the Civil War. Your Gift Annuity is as secure as the organization that issues the Gift Annuity. The amount you contribute is normally placed in a separate fund. Additionally, all of the assets of the charity

stand behind the contract. If you use BSS, the entire amount you contribute is held in a separate account in order to make your annuity payments. In addition, BSS complies with all state laws governing the regulation of gift annuities and retains reserves that exceed all of the states' requirements.

What Are the Tax Advantages?

There are several tax advantages that come with establishing a Gift Annuity.

- *A portion of each payment you receive during your life expectancy is tax exempt, resulting in a higher effective rate of return.*
- *Investments in a Gift Annuity generally are not included in your estate for estate and inheritance tax purposes.*

Can I Use Stock or Just Cash?

A Gift Annuity may be purchased with cash or marketable securities. In addition, subject to the gift acceptance policies of the issuing charity and state laws, other assets that are readily marketable may also be used to purchase a Gift Annuity. If stock or another capital asset is used, it may be

especially advantageous if the asset has appreciated in value. The capital gains tax that you would have owed for the year the asset was sold is spread out over the scheduled term of the Gift Annuity contract.

Does it Help Charity?

Upon your death, the balance of the separate account goes to the charity with which you entered into the annuity contract. If your Gift Annuity is with BSS, we will distribute the balance of the separate account to one or more charities selected by you. By purchasing a Gift Annuity with BSS, you can change your charitable designation with a simple letter if a charity should cease operations or some other event should require a change.

