

How to Secure Your Family and Help Vulnerable Children!



A BRIEF E-BOOK FROM FH LEGACY



Does This Describe You?

My high productivity, best-earning years are winding down.

I foresee an increasing need to "be there" for my aging parents.

I'm hoping that Social Security plus my retirement fund will sustain me through my retirement years.



Sound like the stage of life you're in?

The Dilemma

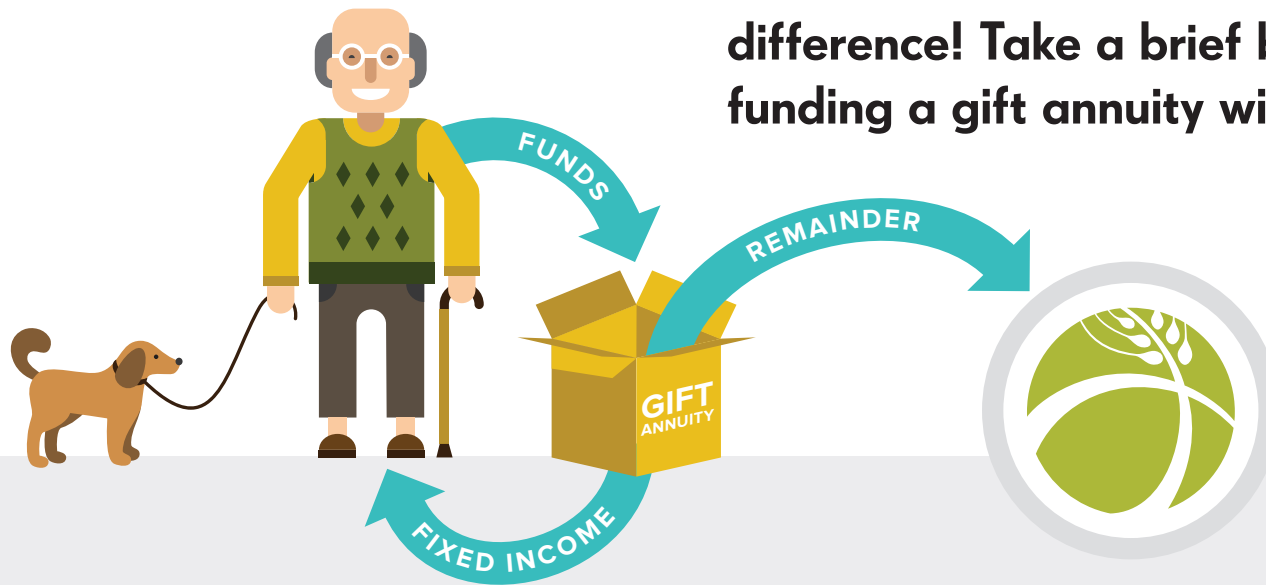
Your partnership with Food for the Hungry shows that you share God's heart for the world's most vulnerable people. But, like many others in your life stage, you may be wondering if you can continue giving without compromising your or your family's future. You may wonder if it's time for saving, not giving. You may feel like now is the time to move toward security, not risky investments. After all, you need to make sure what you have lasts!

**MY RETIREMENT FUNDS
+ AN UNCERTAIN FUTURE = CAN'T AFFORD
TO GIVE.**



If that's where you are, we have good news for you...

Your life's work can continue making a difference! Take a brief but serious look at funding a gift annuity with Food for the Hungry.



HERE'S HOW IT WORKS:

1. Use a portion of your cash, stocks or property to fund a gift annuity with a charitable organization.
2. Receive a charitable deduction in the year you fund the gift annuity.
3. The charity invests the funds and pays a fixed income for life to you, your spouse or a person you designate (recipient is called the annuitant).
4. At the annuitant's death, the charity uses the remainder to bring Christ's transformative work to the most vulnerable who live in some of the world's hardest places.



**Answer God's
call to provide
for your family
AND impact
families in
great need.**

Personal Benefits

SECURE YOUR LOVED ONE'S FUTURE

Income to the annuitant is a fixed amount (s)he can count on for life. It's contractually secured by all the assets of FH.

SIMPLIFY YOUR LIFE

All the responsibility for stewarding the asset will be on FH's shoulders once you establish the gift annuity. You just receive the payments! Simplifying life has some appeal, doesn't it?

RECEIVE ATTRACTIVE PAYOUT RATES

See rates chart on page 7.

GET ADVANTAGEOUS TAX TREATMENT

See highlights on next page.

CREATE A LEGACY WITH IMPACT

First, the gift annuity provides for your family. Then, the remainder goes toward ending poverty. Together, both stages form a God-honoring legacy.



**FREE
PROPOSAL**

Let us prepare a complimentary, no-obligation proposal for you. See what the calculations for your gift annuity would look like.

What asset can you use to fund a gift annuity?

WHAT TAX ADVANTAGES CAN YOU EXPECT?

You could fund the gift annuity with cash, stock, your IRA or real estate:



You can certainly fund it with cash. It's easy. By funding an annuity with cash, a good portion of your annuity payments will be tax free. You should also be eligible to receive a charitable income tax deduction in the year you fund the annuity.



When you fund the annuity with appreciated stock held for more than a year, you may likewise be eligible to receive an income tax deduction, but the tax advantage gets even better! To begin with, you will pay capital gains tax on only a portion of the total gain; the tax on the charitable portion of the gain is bypassed. On top of that, when you are the annuitant, payment of the capital gains tax you do owe can be spread over the lifetime of payments, rather than being due when you gift the asset.



Funding a gift annuity from your retirement funds during your lifetime is generally not advisable – too many restrictions, penalties and taxes incurred. But it might be ideal to fund a charitable gift annuity with your IRA that benefits someone else upon your death. A gift annuity can be created through your will or trust and an IRA beneficiary designation can direct the funds to FH to fund the gift annuity at your death.



If you are interested in funding a gift annuity with appreciated real estate, you will need to work with us closely on the suitability and timing of the property sale. With the proper safeguards in place, we can often approve a gift annuity funded with real estate. This takes some of the sale hassle off your back. Plus, you can avoid some of the capital gains tax you would have owed if you had, instead, simply sold the appreciated property.

Funding a gift annuity offers plenty of tax advantages!

(This information is presented for educational purposes only. Please consult with your tax advisor.)



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Fund a gift annuity with your asset.

HAVE THE INCOME STREAM COMING BACK TO YOU.

FH Gift Annuity Rates*

AGE	RATE
65	4.7%
70	5.1%
75	5.8%
80	6.8%
85	7.8%
90+	9.0%

*These rates reflect those set by the American Council on Gift Annuities in effect April, 2015. FH rates are subject to change when this national council's recommendations change. Your payout rate is fixed for life at whatever rate is in effect at the time of contract.

ADVANTAGES

- **Activates your asset** to provide a nice, supplemental income stream throughout your retirement. Takes an asset that is hardly producing any income and puts it to good use for you.
- **The older you are, the better the payout rate!**
- **Payout rates compare favorably to other secure types of assets.** Gift annuity rates are certainly lower than riskier investment options, but they're considerably better than other highly-secure bank account options like CDs.

CAUTIONS

- **A gift annuity is not retractable.** It is only a good option if you need supplemental income, not if you may need future access to the entire asset. Once the contract is in place, it is irrevocable.
- **Some states heavily regulate gift annuities** making it difficult for FH to administer gift annuities there. If you live in one of these states, establishing the gift annuity may be delayed or arranged through a trusted community foundation that is fully registered in your state. We'll work it out!
(Hawaii is the only state we simply cannot issue in)
- **Keep in mind that a gift annuity is a charitable vehicle, not an investment vehicle.** If your goal is to maximize financial gain from investing your asset, then a gift annuity is not the right option for you.

Fund a gift annuity with your asset.

HAVE THE INCOME STREAM SUPPORT AN OLDER FAMILY MEMBER

Maybe you won't need more income in retirement, but someone you love could use a little more income:

- Do you have a parent who is scraping by that you'd like to bless with a supplemental income stream? Just giving them cash can be relationally awkward. Set up a gift annuity that makes payments directly to them on a quarterly, semi-annual or annual basis.
- Gift annuity payments can be an especially nice way to help a disabled older friend or relative.
- You can even arrange a gift annuity to help a younger family member who, later on, will be in need of income for a specific term of years.



The Deferred Payment Option

HAVE THE INCOME STREAM COMING BACK TO YOU.

Do you have an asset available now, but don't need the income yet? There's no need to wait. You can fund the gift annuity now, and have the payments start in a later year.

Consider the advantages to a deferred gift annuity:

- Enjoy the charitable income tax deduction now because you make the contract this year!
- We can set the annuity payments to begin at a future time when your life situation will change and you'll need the added income.
- Later payments mean higher payments because the asset has had time to gain in value! See how the deferred option compares to the current option in this example.



	Current gift annuity	Deferred gift annuity
Date when payments commence	Year when you fund it	5 years after you fund it
Current age of annuitant	65	65
Initial funding amount	\$20,000	\$20,000
Annual payout amount	\$940 / year for life	\$1,520 / year for life

Prepare for retirement!

Fund a deferred gift annuity with FH this year.



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FOOD FOR THE HUNGRY

*"A way to help the poor while
helping my retirement needs."*

MARGARET FOX, LONG-TIME GIFT ANNUITANT



VISIT [FHLEGACY.ORG](https://www.fhlegacy.org)

Explore many gift options
Calculate your payments & tax saving



TALK WITH OUR GIFT ADVISOR

Call: 480.609.7747
Email Kathy: kferuglio@fh.org

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