



CHARITABLE GIFT ANNUITY APPLICATION

Spreading Joy. Changing Lives.®

ESTABLISHING YOUR GIFT ANNUITY

A charitable gift annuity from InFaith Community Foundation offers the opportunity to make a charitable gift today and, in turn, receive a life-long stream of income. It can also provide you with tax benefits, both now and down the road. To establish your gift annuity:

- Step 1 Tell us **About You** (page 2)
- Step 2 Identify **Your Gift** (page 3)
- Step 3 Provide your **Payment Information** (page 4)
- Step 4 Sign your **Gift Annuity Acknowledgement** and review the **Charitable Gift Annuity Disclosure Statement** (pages 5-7)
- Step 5 Send your completed **Charitable Gift Annuity Application, Fund Workbook** and **W-9 form** to InFaith Community Foundation (page 5)

STEP 1 ABOUT YOU

FIRST DONOR

Full name Mr. Ms. Mrs. Miss Other _____

Date of birth _____

Social security number _____

Donor address

Street _____

City/State/Zip _____

Day phone _____

Evening phone _____

Email address _____

SECOND DONOR *if applicable*

Full name Mr. Ms. Mrs. Miss Other _____

Date of birth _____

Social security number _____

STEP 2 YOUR GIFT

InFaith Community Foundation accepts cash or marketable securities in exchange for a charitable gift annuity. If multiple assets are to be given, InFaith will establish an escrow account to hold your gifts until the final asset is received, at which time the date of your gift will be established and all assets will be sold. Please indicate your proposed gift and the amount. *Minimum \$10,000.*

- Cash in the amount of \$_____ (proceed to step 3 on page 4)
- Mutual fund assets with a value of \$_____ (complete the following section)
- Publicly-traded securities with a value of \$_____ (complete the following section)

FOR GIFTS OF MUTUAL FUNDS AND PUBLICLY-TRADED SECURITIES

In order to accept your gift of securities, the following information is needed by InFaith. The accuracy of the information you provide is important as it determines the timeframe for reporting capital gain and the tax-free portion of your gift annuity payments. (The greater the cost basis, the greater the tax-free portion of your payment.) Attach additional pages if necessary. If you have questions about completing this form or any of the special considerations below, please contact InFaith’s Charitable Giving Services staff at 800.365.4172.

Name of mutual fund or security	Number of shares	Who is the owner?*	Date shares acquired	Original cost per share	Current fair market value
		<input type="radio"/> Donor <input type="radio"/> Spouse <input type="radio"/> Joint		\$	\$
		<input type="radio"/> Donor <input type="radio"/> Spouse <input type="radio"/> Joint		\$	\$

IMPORTANT CONSIDERATIONS FOR GIFTS OF SECURITIES

Please do not attempt to transfer securities to InFaith without staff assistance. Include copies of either the most recent brokerage statements or stock certificates with this application.

*** Appreciated, long-term securities.** Please take care in determining the ownership status of appreciated, long-term securities. Adverse capital gains tax consequences—such as the possible requirement that the donor recognize all gain in the year of the gift—may arise depending in part on ownership status. Donors residing in a community property state are encouraged to consult with their legal or tax professionals to determine legal ownership of the asset.

Securities owned for one year or less (short-term securities). Please identify securities you have owned for one year or less. The IRS requires the charitable deduction for such securities be based on the lesser of the original cost per share or fair market value.

Securities that have lost their value. If the securities you intend to give are worth less than what you paid for them, you may want to consider selling the securities yourself and gifting the cash proceeds to InFaith. You may be entitled to take a loss on your tax return, and by giving cash, can deduct up to 50% of your adjusted gross income in the year of the gift (with a five-year carry-over). Donors giving long-term securities can deduct up to 30% (annually) of their adjusted gross income.

Inherited securities. Please identify any securities you have inherited. Under the “Date Shares Acquired” column above, use the date of death of the person from whom you acquired the securities. The date of death should also be used when determining the securities’ cost per share.

STEP 3 PAYMENT INFORMATION

Please check one of the following to indicate how you wish to have your gift annuity payments issued:

- One life
- Two lives (single payments to both, continuing until the death of the second)
- Two successive annuitants (payments to one, then to another)

PAYMENT RECIPIENT(S)

Gift annuity payments will be made to you, the donor(s), unless other payment recipients are named below.

- Please make gift annuity payments to someone other than the donor(s) as listed below:

First Payment Recipient

Second Payment Recipient *if applicable*

Date of birth _____

Street _____

City/State/Zip _____

SSN _____

Relationship to donor _____

Date of birth _____

Street _____

City/State/Zip _____

SSN _____

Relationship to donor _____

DIRECT DEPOSIT OF PAYMENTS *checking or savings account only*

For your ease and security, we recommend direct deposit of income payments to a specified bank/savings account.

Please attach a voided check (not a deposit slip) from the account you wish your payments to be deposited.

PAYMENT RATE

InFaith follows the American Council on Gift Annuities' (ACGA) recommended gift annuity rates for payments. You may, however, request a payout rate less than the ACGA's recommended rates. If a lesser rate is requested, you will realize a larger charitable income tax deduction in exchange for a more modest annuity payment, and your selected charity(ies) will likely receive a larger gift. Please indicate your desired annuity payment rate:

- I request the ACGA recommended rate
- I request a rate lower than the ACGA recommended rate: ___% (please insert desired rate)

PAYMENT START DATE

Please check one of the following to indicate whether you want your payments to begin immediately or be deferred until a specified month and year in the future. Payments are made at the end of each calendar quarter. Check one of the following:

- Immediate payments.** Payments begin at the end of the current calendar quarter
- Flexible deferred payments.** Payments begin in the future, within a specified 1-to-30 year window of time
Begin payments within this window of years: 20__ to 20__
- Deferred payments.** Payments begin in a specified year, **at least one year** from the date of the gift
Begin payments in the year: 20__ March 31 September 30 June 30 December 31

For direct deposit of payment attach voided check here.

STEP 4 GIFT ANNUITY ACKNOWLEDGEMENT

With a gift annuity, you simultaneously make a charitable gift and receive income payments for life for yourself and/or another person. As a charitable gift is involved, the annuity rates offered by InFaith Community Foundation may be lower than those available through commercial annuities offered by insurance companies and other financial institutions. Your gift may, however, entitle you to income, gift and estate tax deductions.

I have received the disclosure statement (on the following pages) from InFaith Community Foundation regarding its gift annuity reserves and investments, as required under the Philanthropy Protection Act. I understand that a charitable gift annuity is irrevocable and at the death of the last payment recipient, the portion of my contribution remaining after satisfying the annuity payment obligation will be used by the Foundation for the charitable purposes described in my Fund Agreement.

I hereby make application for a gift annuity subject to the terms and conditions described in this booklet.

Donor signature

Date

Donor signature

Date

STEP 5 SEND TO INFALTH COMMUNITY FOUNDATION

Send your completed Charitable Gift Annuity Application, Fund Workbook and W-9 form to:

InFaith Community Foundation
625 Fourth Avenue South, Suite 1500
Minneapolis, Minnesota 55415

If you have questions:

phone: 800.365.4172 email: contact@InFaithFound.org fax: 612.844.4109

Annuities are subject to regulation by the State of California. Payments, however, are not protected or otherwise guaranteed by any government agency or the California Life and Health Insurance Guarantee Association.

A charitable gift annuity is not regulated by the Oklahoma Insurance Department and is not protected by a guaranty association affiliated with the Oklahoma Insurance Department.

Charitable gift annuities are not regulated by and are not under the jurisdiction of the South Dakota Division of Insurance.

CHARITABLE GIFT ANNUITY DISCLOSURE STATEMENT

PURPOSE OF THE DISCLOSURE STATEMENT

This Disclosure Statement is intended to provide donors with general information concerning charitable gift annuity agreements administered by InFaith Community Foundation. This document briefly summarizes the creation, administration and general tax consequences of such agreements. Donors are encouraged to read this Disclosure Statement and consult with their tax and legal advisors before establishing a charitable gift annuity.

ABOUT INFaITH COMMUNITY FOUNDATION

InFaith is a Minnesota nonprofit corporation, organized and operated exclusively for charitable, religious and educational purposes. Donations are deductible for income, gift and estate tax purposes because InFaith is a charitable organization described in Sections 501(c)(3) and 509(a)(1) of the Internal Revenue Code. Donors may request a copy of InFaith's most recent IRS Form 990 or similar information.

DESCRIPTION OF A GIFT ANNUITY

A gift annuity is a simple, irrevocable agreement between the donor (or donors) and InFaith Community Foundation. In exchange for the donor's (donors') contribution, InFaith promises to make fixed income payments for life to one or two persons (typically, but not necessarily, the donor or the donors). The amount paid is based on the age of the payment recipient(s) at the time of the gift, in accordance with the rate schedule adopted by InFaith.

NOT A COMMERCIAL INVESTMENT

The act of establishing a gift annuity with InFaith Community Foundation is not, and should not be viewed as, an investment; it is a way to receive annuity payments while making a charitable donation. In this respect, an InFaith gift annuity is different from a commercial annuity. However, the fact that you are making a charitable gift may provide you with tax benefits, including a current federal income tax charitable deduction (if you itemize your deductions). In addition, annuity payments are usually partially tax-free and there may be future estate tax savings.

GIFT ANNUITY RATES

Generally, the gift annuity rates paid by InFaith Community Foundation are those suggested by the American Council on Gift Annuities (ACGA), a national organization of charities in existence since 1927. These rates have been calculated so as to provide attractive payments to the donor and/or other annuitant or annuitants, and also to result in a significant portion of the contribution remaining for charity. Because a charitable gift is involved, the rates may be lower than those available through commercial annuities offered by insurance companies and other financial institutions.

A donor may request a payout rate less than the ACGA's recommended rates. If a lesser rate is requested, the donor will realize a larger charitable income tax deduction, and likely a larger gift to the charity(ies), in exchange for a more modest annuity income.

For more information about ACGA rates, contact InFaith or visit ACGA-web.org.

ASSETS BACKING INFaITH'S GIFT ANNUITY PROGRAM

Annuity payments are a general obligation of InFaith Community Foundation and are backed by Foundation assets, subject to existing security interests. As of December 2014, total invested assets of InFaith exceeded \$285 million. These assets are invested in a diversified portfolio of equity and bond mutual funds, and other pooled investments, where all investment gains, losses and proceeds are shared by the investment pool. InFaith Community Foundation also maintains a gift annuity reserve fund segregated from general assets and invested in accordance with the laws of the states where InFaith offers gift annuities.

Assets received by InFaith for gift annuities are managed in a prudent and disciplined manner. It's possible that exposure to prolonged periods of market uncertainty and/or longevity well beyond average life expectancy could result in depletion of your gift annuity, leaving no remainder for your donor advised fund and the charity(ies) recommended in your Fund Agreement. However, your payments will be unaffected and will continue. If InFaith Community Foundation should ever fail financially, individuals entitled to receive annuity payments would qualify as general creditors of InFaith.

InFaith Community Foundation was established on December 22, 1994. Responsibility for governing InFaith is vested in a Board of Directors comprised of persons representing a broad cross-section of the views and interests of the Lutheran community together with all Christians, who are knowledgeable

of charitable, religious and institutional activities. Common investment funds managed by InFaith are exempt from registration requirements of the federal securities laws, pursuant to the exemption for collective investment funds and similar funds maintained by charitable organizations under the Philanthropy Protection Act of 1995 (P.L. 104-62). Information in this Disclosure Statement is provided to you in accordance with the requirements of that Act.

POINTS TO REMEMBER

Irrevocability. A contribution for a gift annuity is irrevocable. The assets contributed cannot be returned to the donor, either now or in the future.

Assignment of payments. The right to annuity payments may not be assigned to any person or organization, other than InFaith Community Foundation.

Gift date. The gift date is the date assets are actually transferred. In the case of cash, it is the date the check is either mailed or hand-delivered to InFaith. In the case of an electronic transfer of securities, it is the date the assets are received into an account of InFaith. In the case of stock certificates, it is the date they are mailed or delivered to InFaith. In the case of gifts of multiple assets, it is the last date an asset is received into escrow.

Appreciated securities.

- If appreciated securities are used to establish a gift annuity, adverse tax consequences—such as the possible requirement that the donor recognize all gain in the year of the gift—may arise depending in part on ownership status. All donors, especially those residing in a community property state, are encouraged to consult with their legal or tax professionals to determine legal ownership of the appreciated asset.
- If a donor is contributing appreciated, separately-owned securities for the benefit of the donor and another person, it is possible that no portion of the annuity payments will be tax-free.

- If a donor is contributing securities owned one year or less, the donor has made a gift of a short-term asset. In such cases, the IRS requires the donor's charitable deduction be based on the lesser of the asset's cost basis or fair market value. As a result a donor must notify InFaith to all short-term securities they intend to donate. Donors should be aware that if the stock they wish to donate has dividend reinvestment, part of the gift may be short-term securities.

Loss. If the securities the donor intends to give have suffered a loss, the donor may be better off selling the asset and donating the proceeds to InFaith. In doing so, the donor may be able to claim a loss on their tax return.

Governing law. In most cases, the gift annuity is governed by Minnesota law.

FOR MORE INFORMATION

This Disclosure Statement is intended to provide basic information regarding gift annuities issued by InFaith Community Foundation. If you have additional questions, please contact InFaith:

InFaith Community Foundation
625 Fourth Avenue South, Suite 1500
Minneapolis, Minnesota 55415

phone: 800.365.4172 fax: 612.844.4109
InFaithFound.org

Please contact InFaith Community Foundation to confirm state approval and for additional information.

The gift annuity information provided by InFaith Community Foundation does not constitute legal or tax advice. Donors are encouraged to consult with their legal and tax advisors prior to creating a gift annuity contract with InFaith.

To ensure compliance with IRS requirements, be aware that any U.S. federal tax advice contained in this brochure is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party to any transaction or matter addressed herein.



InFaith

COMMUNITY FOUNDATION®

Spreading Joy. Changing Lives.

InFaithFound.org 625 FOURTH AVENUE SOUTH, SUITE 1500
MINNEAPOLIS, MINNESOTA 55415 **p** 800.365.4172 **f** 612.844.4109

InFaith Community Foundation is committed to environmental stewardship, printing on paper made from 100% post-consumer fiber using Green-e Certified renewable energy and meeting Forest Stewardship Council standards.