



POCKET GUIDE TO PLANNING A LEGACY

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THE STRENGTH OF ROTARY

Founded in 1905, Rotary is experienced in making the world a better place.

The Rotary Foundation is recognized as one of the largest, most effective, and well-managed charitable organizations in the world.

For more than a decade, the Foundation has received four stars — the highest rating — from Charity Navigator, an independent evaluator of charities in the United States.

Charitable givers can feel confident that Rotary will sustain their personal legacies.

ROTARY'S MISSION

The Rotary Foundation is committed to providing humanitarian service and advancing goodwill and peace around the world by supporting causes that:

- Promote peace
- Fight disease
- Provide clean water, sanitation, and hygiene
- Save mothers and children
- Support education
- Grow local economies

Our work is funded through:

- The World Fund (unrestricted)
- SHARE (split between World Fund and District Designated Funds)
- Funds specified for a cause

WHAT IS THE ROTARY FOUNDATION ENDOWMENT?

- Rotary's Endowment was created in 1917 to ensure that resources would always be available to do good in the world.
- The Endowment is made up of invested contributions that provide earnings to support Rotary Foundation programs locally and globally, in perpetuity.
- Similar to making a gift to the Annual Fund each year, a one-time or legacy gift to the Endowment provides support for the same life-changing projects year after year.
- Donors who give \$25,000 or more may choose to establish personal, named endowed funds within the Endowment.

GIFT TYPES

OUTRIGHT GIFTS

- Cash
- Publicly traded securities
- Real estate

ENDOWED GIFTS

- Bequest through a will or trust*
- Life insurance or assurance plans
- Retirement plans

*Bequests are not available or culturally appropriate in all countries.

For additional gift types available in the United States, see yellow-edged cards.

HOW TO INCLUDE ROTARY IN YOUR ESTATE PLAN

One of the most popular ways to include Rotary in an estate plan is through a will or codicil. Whichever method works best, please remember to use the official legal name, **The Rotary Foundation of Rotary International**, unless one of following names applies in the region where you live:

- The Rotary Foundation (Canada)
- Rotary Foundation (India)
- Public Interest Incorporated Foundation — Rotary Foundation Japan
- Rotary Foundation of the United Kingdom

HOW TO INCLUDE ROTARY IN YOUR ESTATE PLAN

Here are a few examples for your adviser to consider:

- For a general gift of a certain percentage or portion of an estate: "I give to The Rotary Foundation of Rotary International one-fourth of my estate."
- For a gift of a specific asset: "I give 500 shares of [name] stock to The Rotary Foundation of Rotary International."
- For a contingent bequest, which takes effect only when certain conditions are met: "In the event my spouse does not survive me, I give to The Rotary Foundation of Rotary International the remainder of my estate."
- For a residual bequest, which directs the disposition of all or a portion of whatever remains after all other required amounts are paid: "I give the rest, residue, and remainder of my estate to The Rotary Foundation of Rotary International."

We encourage consultation with independent tax and legal advisers before making any charitable gift.

NAMED ENDOWED FUNDS

- Endowed funds are invested in perpetuity with part of their earnings used for a designated purpose (to support the World Fund, SHARE, the Rotary Peace Centers, or an area of focus).
- A Named Endowed Fund can be named for the donor or a loved one.
- These funds are tracked, and reports are sent to the donors and their districts to commemorate their generosity for years to come.
- Rotary provides a special agreement to document each donor's intentions, so whenever a gift arrives we have instructions on file to easily create and honor their legacy.

RECOGNITION

OUTRIGHT GIFTS

ARCH KLUMPH SOCIETY \$250,000+

- Cumulative donations of at least \$250,000
- Invitations to special events
- Tokens of appreciation
- Listed in the RI/TRF Annual Report
- Special induction

MAJOR DONOR \$10,000+

- Cumulative donations of at least \$10,000
- Crystal
- Lapel pin or pendant

RECOGNITION

ESTATE GIFTS

LEGACY SOCIETY \$1 MILLION+

- Documented commitment of at least \$1 million
- Invitations to special events
- Special tokens of appreciation from the Trustees
- Listed in the RI/TRF Annual Report

BEQUEST SOCIETY \$10,000+

- Pin and special art piece
- Rotary's Promise crystal (\$25,000)
- Multiple named endowed funds (\$50,000)
- Posthumous induction into AKS (\$250,000)
- Special seating and registration at the convention (\$500,000)

WHY PEOPLE WANT TO GIVE

Learning what motivates a potential donor to create a personal legacy with Rotary may be as simple as listening attentively in conversations and noting offhand remarks. All of these topics have planned gift solutions, if you know what to listen for!

- Planning for retirement or concern over resources in retirement
- Paying for children's college education
- Selling a business
- Tax issues (income, capital gain, gift, and estate)
- Unknown future health care expenses
- Concern about outliving resources
- Need to address multiple charities and limited assets
- Saddled with costs of owning underutilized real estate
- Concern about earnings available from current assets (CDs and dividends)
- Wanting to provide for their children and other heirs
- Thinking about finding an alternative to a new or existing private foundation
- Wishing to pass on charitable values to children and future generations

CONTACTS

For additional information, contact the closest Rotary office.

World Headquarters

Tel. +1-847-866-3100

(Contact a Planned Giving Officer)

Email: plannedgiving@rotary.org

Brazil Office

Tel. +55-11-3217-2630

Email: fr.brasil@rotary.org

Europe/Africa Office

Tel. +41-44-387-71-11

Email: eao@rotary.org

Japan Office

Tel. +81-3-5439-5800

Email: rijpntrf@rotary.org

Korea Office

Tel. +82-2-783-3077

Email: rikorea@rotary.org

South Asia Office

Tel. +91-11-42250101

Email: risao@rotary.org

South Pacific and Philippines Office

Tel. +61-2-8894-9800

Email: risppo@rotary.org

Great Britain and Ireland Office

Tel. +01789 765411

Email: rfuk@rotarygbi.org

LIFE INCOME AGREEMENTS

- Generally speaking, Life Income Agreements offer the donor an opportunity to make an irrevocable gift now to solidify their support for a particular cause or charitable entity, receive partial charitable tax benefits, receive recognition as a significant supporter, and receive lifetime payments for their own financial security or that of a loved one. Life Income Agreements can be funded with cash or publicly traded securities and in some cases, real estate or other illiquid assets.
- The Rotary Foundation recognizes the face value of the donation to fund Life Income Agreements for purposes of Major Donor and Arch Klumph Society recognition.
- The Rotary Foundation can act as trustee for certain types of trusts. See the next card for additional requirements and restrictions.

ADDITIONAL GIFT TYPES

CHARITABLE GIFT ANNUITY

By simple contract, in exchange for a gift, The Rotary Foundation agrees to pay a fixed amount to the donor and/or one other loved one for their lifetime(s). Minimum gift amount is \$10,000 that must be by cash or publicly traded securities. Payments are based upon the age(s) of the recipient(s) at the time the contract is formed. Payments and deduction amounts may be increased by deferring the start of the payments. Payments are backed by the unrestricted assets of The Rotary Foundation. Not available in Hawaii or Alabama.

ADDITIONAL GIFT TYPES

CHARITABLE REMAINDER TRUST

The Rotary Foundation will act as trustee of a new Charitable Remainder Trust when it is the sole and irrevocable remainder beneficiary of a trust with an initial contribution of \$100,000 or more. It may be funded with cash or securities, and potentially real estate or other illiquid assets. Payment percentages are set at the time the trust is formed, may be variable or fixed, and are backed solely by the assets in the trust. The Foundation does not take a fee for acting as trustee and will pay 50 percent of trust administration fees.

In both gift types, the minimum age for the payment beneficiary is 50 at the time the gift is funded, and the lifetime payments can be made monthly, quarterly, or annually.

U.S. DONOR ADVISED FUND

A donor advised fund is a charitable giving account at The Rotary Foundation that allows organizations, families, and individuals to simplify their charitable giving and receive tax benefits.

This kind of gift provides the donor with an immediate U.S. tax receipt and time to identify appropriate charitable recipients, including transfers to Rotary Foundation programs.

- The minimum for a donor advised fund is \$10,000 (individual or group).
- The gift can be in cash or stock.
- Contributions are irrevocable.
- Recommended grants can support any IRS-approved 501(c)(3) public charity.

INDIVIDUAL RETIREMENT ACCOUNT

- A qualified charitable distribution, also known as an IRA rollover, allows people over age 70-1/2 to transfer up to \$100,000 a year from an individual retirement account to one or more charities without paying federal income tax. This transfer counts toward the required minimum distribution.
- The transfer must be made directly to the charity and cannot be directed to a donor advised fund or Life Income Agreement.
- The transfer must be received by the charitable organization on or before 31 December each year.