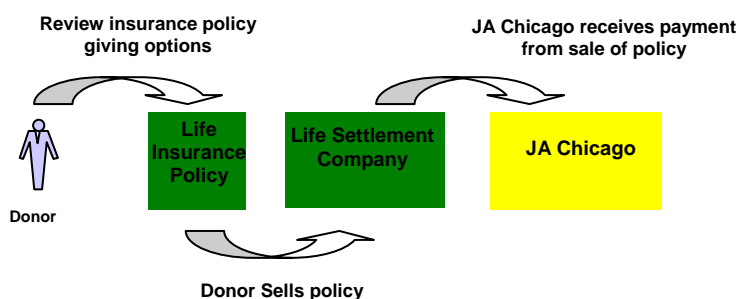


Giving Through Life Insurance Plans

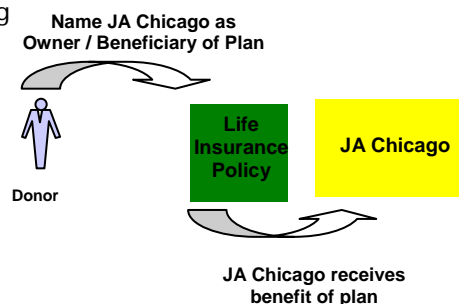
Gifts of Life Insurance offer you an opportunity to make a contribution to Junior Achievement of Chicago, perhaps even more than you ever thought possible! This is an often overlooked and underestimated gift opportunity. A gift of a life insurance plan may be a low-cost way for you to make a major planned gift, and much sooner than you may have thought possible.

Life Insurance Gift Options

- Consider a LIFE SETTLEMENT. A Life Settlement is the sale of an existing life insurance policy to a 3rd party buyer for cash greater than the policy surrender value offered by the life insurance company. Life Settlements are generally suited for individuals age 65 or over who are evaluating health, financial and/or estate planning changes that have taken place in the latter years of their life.



- Name Junior Achievement of Chicago as the BENEFICIARY of an existing life insurance policy and continue to pay the annual premiums.
- Name Junior Achievement of Chicago as the IRREVOCABLE OWNER of a new or existing life insurance policy. You then make annual donations to JA Chicago equal to the premium payments JA Chicago is making for the policy.



Tax Benefits

- The tax benefits of using a life insurance policy as a charitable gift can be significant, and vary based on a number of factors. Please consult your tax advisor for evaluating the options to determine the type of gift that makes the most sense for you.

What the Money Will Do

- A gift of \$200,000 or higher will create a naming opportunity for a Whole School Sponsorship in honor of the donor. For every \$200,000, an additional 500 students will receive JA programs in perpetuity.
- A \$500,000 gift will assure that over 1,000 additional kids will benefit from JA programs each year.



Giving Through Life Insurance Plans

Example 1 – Life Settlement

Kenneth previously purchased a life insurance policy with a death benefit of \$2,000,000. He is now 86 years old, in fair health, and no longer has beneficiaries in need of a payout when he dies. He talks to his tax advisor about possible charitable uses for his life insurance plan. Kenneth decides to consider a Life Settlement. Kenneth and his advisor choose a qualified broker to shop for the best offer from a qualified life settlement company for his insurance policy. Kenneth receives a number of settlement offers, the highest being for \$800,000. He then works through the paperwork, including submitting necessary medical information. When the sale of the life insurance plan to the settlement company is complete, payment from the sale is made to Junior Achievement of Chicago.

Example 2 – Naming JA Chicago as Beneficiary or Owner

When his family was younger, Edward purchased a \$500,000 life insurance policy for their protection. His children are now grown and his other investment and retirement planning vehicles have assured that his wife will be financially supported if she were to survive him. Edward talks to his life insurance advisor and completes the paperwork to designate JA Chicago as the new beneficiary. Edward continues to pay his relatively low annual premium. When Edward passes, JA Chicago receives a payout of \$500,000. Alternately, Edward could have completed a change in ownership form to make JA Chicago the irrevocable owner of the policy and made annual contributions to JA Chicago equal to the payments that JA would in turn make to the plan.

If you would like additional information on planned giving opportunities at Junior Achievement of Chicago, please contact Craig Duetsch at (312) 715-1300 ext. 242.