



Giving Life Insurance through NCF

Gifts of life insurance policies will allow you to give more to charities than you had perhaps ever dreamed possible. You may name your NCF Giving Fund as beneficiary of your policy, and as benefit of the policy is paid out at death, the proceeds will be placed in the Fund for gifting to charity. Additionally, if you gift the policy to NCF you may be entitled to a charitable deduction for the lesser of your cost basis and the terminal reserve value.

Here's how it works.

1. As you and your advisor decide that a gift of life insurance is appropriate in your financial and philanthropic planning, the information and questions listed below should be reviewed and discussed with NCF:
 - Copy of the policy: what is the type of policy? whole life, universal life, term
 - Is the issuing company financially sound?
 - Willingness of the donor to continue to make premium payments (if applicable)?
 - What is the donor's cost basis in the policy?
 - What is the current cash value of the policy?
 - Are there any loans against the policy currently?
 - What is the cash value currently invested in?
2. The above items allow NCF to understand the asset and answer relevant questions, such as, "Is the asset transferable?" and "What is the wisest method of transfer?" NCF reviews the gift and submits a gift offer letter to you as owner. As the decision is made to proceed, a transfer document is drawn up, either by NCF or your legal counsel.
3. The document to transfer ownership and change the beneficiary of the policy is provided by the insurance company. This document is executed by the donor and then delivered to NCF for execution by one of the officers.
4. **NCF must be named both owner and beneficiary in order for a charitable deduction to be established.**
5. The date of the transfer of the policy will establish the gift date. Any additional premium payments due may be made through your NCF Giving Fund, by making charitable contributions to your Fund. If the policy is to be redeemed, the funds received less the costs associated will be placed in your Fund.

What makes your asset an appropriate gift? The asset ...

- Has been held by you longer than one year, and has appreciated in value
- Is transferable (**not under contractual obligation or other agreement with someone else**)

What else do I need to know?

An appraisal may be needed in order to substantiate the value of your tax deduction. Typically the insurance company can provide this. \$100 per premium payment (we prefer premiums to be paid annually) and 2% of the death benefit upon maturity (with a maximum of \$20,000).