

ESTATE PLANNING GUIDE



Connecting People Who Care To Ministries That Matter

Dear Friends,

American Baptist Foundation (ABF) wants to help ensure that the legacy you desire to leave happens.

As you celebrate life, what is critically important?

Your spouse, children, loved ones?

Ministries and other charities supported over the years?

Estate planning has many considerations. The balance between lifetime financial needs and your legacy has complex elements. It is not as simple as making out a will; nor is it a do-it-yourself project. The key question is: What part will your generosity play in making this world a better place?

As your partner in ministry, American Baptist Foundation is here to help! We hope that this Estate Planning Guide is useful in answering some of your questions. As you navigate through the blessings and challenges of estate planning, we ask that you keep a prayerful spirit.

Even further, if you desire to include your American Baptist church, national partner, or any American Baptist related entity in your plans, we encourage you to speak with us. Planned giving has many benefits and it is our specialty. Let us explore some of these benefits together.

In Christ,

Perkin

Rev. Perkin Simpson
Executive Director
American Baptist Foundation

EVERYONE NEEDS A GOOD ESTATE PLAN.

Regardless of age, income, race, or whatever unique qualities we celebrate, everyone has an estate. Everyone should plan. Each estate plan will match the unique qualities of each individual and family.

Benefits of having an estate plan include:

- Providing for and protecting your family – what happens if you are no longer around?
- Minimizing Expenses –attorney’s fees, probate costs, and other expenses.
- Efficiency and Effectiveness – help ensure the quick transfer of assets in times of need.
- Reducing Taxes – help with meeting certain goals while keeping as much money in the hands of your family as possible.
- Supporting your favorite cause – ABF encourages you to include your church, national partner, or any American Baptist related entity in your plans.
- Leaving your desired legacy – without proper plans, others (including the courts) may choose for you.

Estate planning has other considerations as well. Retirement, medical plans and directives, business continuity, and privacy are among them. You may need advice in each area and a good estate planning attorney is recommended.

We encourage you to include the support of American Baptist ministry and mission in your plans – your church, local region, and/or national partner. Rather than just simply listing these institutions as a beneficiary of a policy or in your will, contact American Baptist Foundation to see how to strategically use charitable vehicles to meet your goals while saving time, money, taxes, and energy.

As a supporting organization to named American Baptist entities, consider including ABF's Supported Members in your plans. Our Supported Members include American Baptist Home Mission Societies, International Ministries, and the Multi-Region Corporation – comprised of a majority of American Baptist Regions.



GATHERING INFORMATION

Last Will and Testament

An estate plan commonly includes a last will and testament (a.k.a. a “will”), which outlines your assets and desired beneficiaries for each upon your death.

Things that fall outside your will (other plans are needed)

- Property held in a Living (or other) Trust
- Named beneficiaries of retirement plans, insurance policies, annuities, etc.
- Business ownership or partnerships

Be sure to review your beneficiaries/directives over time to ensure that everything is in order.

Are there income needs?

If there is a desire to provide lifetime income for your loved ones, consider establishing a charitable life-income agreement for their benefit. These agreements include:

- **Charitable Remainder Trusts**
- **Charitable Gift Annuities**

These agreements also allow you to name charitable beneficiaries and have tremendous tax and cost-saving benefits, depending on your situation. Contact American Baptist Foundation for more information about these options.

Share you plans with your family and beneficiaries

Talking to your beneficiaries may be one of the most important parts of managing your estate. Explaining your intentions sets a powerful example for future generations. It can also reduce the likelihood of conflict or even litigation.

Revisit your estate plan every few years

Whenever there is a major change in your life such as a birth, death, or major financial change, be sure to review your plans to ensure that they remain relevant. Estate laws change as well, so it is important to ensure that your plans still remain effective.

Do you need a living trust (another powerful estate planning tool)?

For complicated considerations or if greater privacy is desired, establishing a living trust may be an option. Discuss this option with advisors to see if more discovery is needed.

On the following page you will find a helpful form to outline your estate plan.

FAMILY AND LOVED ONES

Personal Information:

Name (First, M, Last): _____
Spouse (if Applicable): _____
Address: _____
City: _____ ST: _____ ZIP: _____
Phone: _____ - _____ - _____ email: _____

Children/Dependents:

Name: _____	Age: _____
<i>Birthdates, social security numbers, addresses and other personal information may be needed.</i>	

Other Loved Ones (you desire to include in your plans):

Name: _____	Relationship: _____
<i>Birthdates, social security numbers, addresses and other personal information may be needed.</i>	

Advisors (if applicable):

Attorney: _____
Phone: _____ - _____ - _____ email: _____
Accountant/CPA: _____
Phone: _____ - _____ - _____ email: _____
Financial Advisor/CFP: _____
Phone: _____ - _____ - _____ email: _____

CONSIDERATIONS FOR CHARITABLE BENEFICIARIES

Just like our weekly offering, charitable gift planning is powerful stewardship testimony. As you think about the missions, ministries, and other causes that you hold near and dear, consider leaving a gift to them in your estate planning.

The benefits of American Baptist Foundation (ABF) as your charitable administrator

It is possible to name your charitable beneficiaries in your will or trust;. However, each time a change is required, a corresponding change in your will is necessary. Changes can be complicated and costly. We urge you to consider the following.

To save time, energy and money, consider leaving ABF as the beneficiary for the charitable portion of your estate plan. Then, write a letter of instruction to American Baptist Foundation specifying how the monies should be distributed. Whenever a change is needed, you can simply update your letter of instruction free of charge.

To Endow or not to Endow – that is the question

When leaving a charitable bequest, it is possible to make a lump sum payment to your desired beneficiaries. In this case these monies become available for use at once.

Another option is to establish an endowment with American Baptist Foundation. The principal stays in tact (hopefully growing over time), and income is distributed to each of your charitable beneficiaries each year. An endowment will provide:

- Dependable, perpetual income.
- A continuing legacy – name your endowment in honor of your loved ones or yourself. Beneficiaries are reminded of your generosity with each income payment.
- Others can add to your endowment – your gift can inspire others to follow.
- American Baptist Foundation will professional invest and administer your gift. As the endowment grows over time, so do the income payments over time.

Explore the benefits of lump-sum gifts or endowments for your gift. In some cases, a combination of the two works. In any case, American Baptist Foundation is here to assist you with your plans.

On the following page you will find a helpful form to outline your estate plan.

CHARITABLE BENEFICIARIES

WHO you would like to support? WHAT and HOW to give can be addressed later.

American Baptist Foundation is able to administer and distribute gifts for ABC and non-ABC entities, within certain guidelines (an American Baptist Institution must be included).

American Baptist Ministry and Mission:

Organization Name: _____
Organization Address: _____
Contact Person Full Name: _____
Phone: _____ - _____ - _____ email: _____

Organization Name: _____
Organization Address: _____
Contact Person Full Name: _____
Phone: _____ - _____ - _____ email: _____

Organization Name: _____
Organization Address: _____
Contact Person Full Name: _____
Phone: _____ - _____ - _____ email: _____

Other Charities – non-profit 501(c)(3):

Organization Name: _____
Organization Address: _____
Phone: _____ - _____ - _____ email: _____

Organization Name: _____
Organization Address: _____
Phone: _____ - _____ - _____ email: _____

Feel free to amend and/or duplicate this page to include additional organizations

FOR YOUR CONSIDERATION

Your will and other bequests are testimonies of your Christian Commitment. Naturally, we encourage you to be generous to our American Baptist Members and other American Baptist ministries in your plans. As Christians, we must continue to strengthen ministry activities for Jesus Christ.

American Baptist Foundation invites you to utilize our estate planning services and expertise as you seek to meet the financial needs of your family and loved ones while supporting the American Baptist mission and ministries you hold dear. Whether through your will or trust, naming American Baptist Foundation, then providing a letter of direction:

- Is easy to arrange
- Will not alter your lifestyle in any way
- Can be easily amended to address changing needs

An undesignated gift to American Baptist Foundation is equally divided between American Baptist Home Mission Societies, International Ministries, and the American Baptist Regions that are part of the MRC, as directed by the ABF Board. A small portion goes to benefit ABC-USA and ABF operations. Many donors choose to leave an undesignated gift knowing that one gift will be a blessing to many.

*Without counsel plans fail,
but with many advisers
they succeed. (ESV)*

--Proverbs 15:22



SAMPLE BEQUEST LANGUAGE

To help ensure that your desire to include American Baptist Foundation as administrator of the charitable portion of your estate plans, the following verbiage may be helpful when establishing or amending your will or trust.

Specific Bequests

I give and devise American Baptist Foundation, the sum of \$_____ to be distributed according to my most recent directives on file.

I give and devise American Baptist Foundation, _____% of my estate to be distributed according to my most recent directives on file.

Residual Bequests (after all specific bequests have been made and all expenses paid)

I give and devise American Baptist Foundation, all (or a stated %) of the rest, residue and remainder of my estate, both real and personal, to be distributed according to my most recent directives on file.

Contingency Bequests

If (insert name of a beneficiary) is not living at the time of my demise, I give and devise American Baptist Foundation, all (or a stated %) of the rest, residue and remainder of my estate, both real and personal, to be distributed according to my most recent directives on file.

Depending on your needs, additional instructions may be necessary. Contact American Baptist Foundation to speak with someone about your specific needs. We are honored to assist you



DESIRED REPRESENTATIVE

Executor: Who will administer your estate in accordance with the instruction in your will?

Name (Primary): _____
Phone: _____ - _____ - _____ email: _____
Alternate: _____
Phone: _____ - _____ - _____ email: _____

Guardians for children (if minors):

Name (Primary): _____
Phone: _____ - _____ - _____ email: _____
Alternate: _____
Phone: _____ - _____ - _____ email: _____

Durable Power of Attorney: If incapacitated, who will handle your affairs?

Name (Primary): _____
Phone: _____ - _____ - _____ email: _____
Alternate: _____
Phone: _____ - _____ - _____ email: _____

Power of Attorney (Medical): Who makes medical care decisions if you are unable to?

Name (Primary): _____
Phone: _____ - _____ - _____ email: _____
<i>A directive to physicians (by will) clarifies a person's desire to have his or her life "artificially prolonged" in the case of injury, disease or terminal condition. Do you need this prepared?</i>

It is important to have the names of important advisors and representatives available to you and your loved ones. Be sure to discuss your plans with each so that their responsibilities and directives are clear. Be sure to name alternates in case your desired representatives are not able to carry out their responsibilities.



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