

United Way Life™ Quick Reference Guide



WHAT IS UNITED WAY LIFE™?

United Way Life™ is a unique, proprietary program offered by United Way Worldwide that enables United Way donors to make much larger endowment gifts than might otherwise be possible thanks to the use of affordable, low-risk, life insurance products. Through a specialized turn-key program, United Way Worldwide supports the local United Way with materials, training, and support to present the United Way Life™ concept to donors. Donors may choose from a range of insurance companies to select the life insurance product that best meets their needs. United Way Life™ provides customer service to the donor throughout the underwriting process, relieving local United Ways from the technical details and time necessary to complete the gift. To date, nearly \$30 million of United Way Life™ gifts have been secured to benefit United Ways.

WHY IS UNITED WAY LIFE™ IMPORTANT?

United Way Life™ provides many benefits to United Ways and their donors including: First, it is a way to generate significant gifts for a United Way's endowment fund by engaging younger donors in an easy to communicate planned giving discussion. They see United Way Life™ as an attractive vehicle to become **Tocqueville Legacy Circle** members by creating irrevocable future gifts of \$250,000 or more. Typically younger donors are in the wealth accumulation stage of life and not in a position to give significant assets away. Others simply do not want to disrupt their current estate or financial plans. United Way Life™ creates wealth through life insurance without requiring the time or expense involved in revising existing plans.

Second, it is a way to upgrade donors to higher levels of giving. Donors contribute the cost of the annual insurance premium in addition to their annual gift commitment. The donor receives credit for both gifts. For example, a \$2,500 annual donor agrees to take out a \$250,000 policy with premium payments of \$2,500 in each of the next five years. Their total giving on an annual basis has increased from \$2,500 to \$5,000 plus they have created an irrevocable \$250,000 future endowment gift.

Third, it is a donor service. Donors who participate in United Way Life™ are able to make a six or seven figure gift that they may never have dreamed possible. United Way Life™ is a service to help donors extend their reach and impact.

HOW DOES UNITED WAY LIFE™ WORK?

There are seven basic steps to United Way Life™.

1. United Way of Abilene visits with prospects about the benefits of United Way Life™
2. When a prospect shows interest, United Way of Abilene contacts United Way Life™ to get premium quotes so they can communicate that information back to the prospect
3. When the prospect decides to pursue the gift, United Way Life™ provides the customer service to move the donor through the underwriting process
4. If applicable, United Way Life™ may involve the donor's local life insurance agent
5. In order to qualify for a charitable deduction, the donor contributes the amount of the annual premium to United Way of Abilene in addition to their annual gift
6. The donor's company or United Way of Abilene may match a portion of the premium to lower the donor's annual cost.
7. United Way of Abilene pays the premium directly to the insurance company
8. United Way of Abilene is the owner and beneficiary of the policy

WHERE TO GET HELP?

United Way of Abilene can assist you with more information on planned giving including additional tools, resources and best practices. For these additional resources, please contact Cathy Ashby at drashby@unitedwayabilene.org.

You're Important to Our Community

As a current United Way of Abilene supporter, you're already creating opportunities and inspiring hope for a better tomorrow. Now there's a way to continue that contribution forever. It's simple, it's convenient and it does not disrupt your current estate plans.

Leave your Legacy with United Way Life

United Way Life uses an affordable guaranteed life insurance policy. With a modest out-of-pocket cost, you can create a substantial gift that will make an impact in our community forever. With five annual tax-deductible premium payments to United Way Foundation of Abilene, the policy is fully paid. Both the premiums and the death benefit are guaranteed to fulfill your gift intent.

Join United Way's Tocqueville Legacy Circle

Purchasing a policy with a value of \$200,000 or higher qualifies you for immediate lifetime membership in United Way's Tocqueville Legacy Circle, a worldwide movement of forward-looking leaders who are advancing the common good for the future.

Greatest Value and Streamlined Underwriting

Working through a national partnership, United Way Life identifies highly rated best-in-class insurance carriers and constantly searches the market for the greatest value for your charitable dollars. The team at United Way Worldwide will assist you every step of the way, ensuring confidential handling of your information and arranging all required underwriting processes with program partners.



A Big Gift for a Low Cost

Below are sample annual life insurance costs for a \$250,000 five year premium payment policy for different age categories. These costs are for illustration purposes only. Actual premiums will vary depending on the individuals insured and policy selected. Once premium amounts are determined, they are guaranteed and do not change over the five years. With United Way Foundation of Abilene as the owner and beneficiary of the policy, you will receive a tax deduction for each of your five annual premium payments.

UW LIFE SAMPLE ANNUAL PREMIUM RATES FOR \$250,000 POLICY*		
AGE	ANNUAL PREMIUMS	AFTER TAX TOTAL
30	\$4,400	\$2,948
35	\$5,500	\$3,685
40	\$6,600	\$4,422
45	\$7,700	\$5,159

*Based on two lives (survivorship policy) averaged standard and preferred risk class rates. Premiums for single policy would be higher. Assumed tax rate of 33 percent. As of 1/1/16.

Lower Your Cost with United Way's Matching Program

For a limited time, United Way of Abilene will **match 50 percent of the premium for 5 years**. For example, on a two-life policy with a premium of \$5,500 per year, the donor cost would be reduced to \$2,750 per year (effectively \$1,843 per year on an after-tax basis assuming a 33 percent tax bracket). Premium levels vary depending upon a number of factors including the age and overall health of the donor.

Please contact Cathy Ashby at 325-677-1841 or drashby@unitedwayabilene.org with questions.

More Information

I would like to:

- ☐ Get more information on using insurance to make a substantial legacy gift to United Way Foundation of Abilene.
- ☐ Receive a personalized insurance gift premium estimate.
- ☐ Discuss other planned giving options.

NAME

STREET

CITY

STATE

ZIP CODE

PHONE NUMBER

BEST TIME TO CALL

EMAIL ADDRESS

PLEASE COMPLETE AND RETURN THIS FORM TO:

United Way Foundation of Abilene
Attn: Cathy Ashby
240 Cypress Street
Abilene, Texas 79601

