ROYAL OAKS
OFFICE OF PLANNED GIVING

LIFE INSURANCE POLICIES

You may have always had a great philanthropic desire, but not the means to make it a reality. Life insurance can be an easy and flexible way to make an important gift to Royal Oaks. Whether it is an old policy that has outlived its original purpose (such as for a spouse who no longer needs it, a child who is financially independent, or to protect a business that no longer exists) or a new policy purchased specifically to benefit Royal Oaks, a gift of life insurance can allow you to leave a much larger gift than may have been possible during your lifetime.

Royal Oaks may be the recipient of the proceeds of a life insurance policy in different ways which include:

1. Named as the beneficiary:

   By naming Royal Oaks the primary, partial, or contingent beneficiary of your life insurance policy, you retain ownership of the policy and the right to change the beneficiaries. Upon your passing, the face value amount of the policy will go to Royal Oaks. Although the proceeds from the policy will be included in your gross estate, the full amount received by Royal Oaks may be deductible as a charitable deduction.

2. Designated as the owner and beneficiary of a new or existing policy:

   When you name Royal Oaks as the owner and beneficiary of your policy, you will give up ownership of it, give up the right to change the beneficiary, and waive the right to assign or borrow against the policy. If the policy is paid up, you will receive an income tax deduction for its value. If the policy is new or partially paid, you receive an income tax deduction for the annual premium payments. Since Royal Oaks becomes the owner of the policy, the proceeds will not be included in your estate for tax purposes.

3. Asset replacement policy:

   After making a gift to Royal Oaks, some people use the tax savings produced by the charitable deduction to establish a life insurance policy. This way, they are able to benefit family or loved ones at the amount that might be equivalent to the value of the donated property. This allows you to increase your income, make a substantial charitable gift, reduce estate taxes, and leave your loved ones their inheritance.

Consult your insurance professional to be sure that the ownership and beneficiaries of your life insurance policies accomplish your goals of benefiting your family, friends and favorite charities.

For more information, please contact Michelle Westfall at (623) 815-4122.