

**WHAT IS A
CRS CHARITABLE
GIFT ANNUITY?**

A Catholic Relief Services charitable gift annuity diversifies your retirement portfolio and provides you with guaranteed income now, or it allows you to build retirement income for the future in a predictable and reliable way.

How Does It Work?

- You transfer cash, stocks, bonds or mutual funds to CRS
- You receive an income tax deduction and may also save capital gains tax
- CRS pays a fixed amount of guaranteed income each year to you or to anyone you name—for life. Typically, a portion of the income you receive is tax free
- After your lifetime, when the gift annuity ends, CRS uses the remaining principal to bring hope and help to the world's most disadvantaged people

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GIFT AND ESTATE PLANNING IDEAS
FOR FRIENDS AND BENEFACTORS OF
CATHOLIC RELIEF SERVICES

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Dear Friends,

Each day, in your name, Catholic Relief Services provides care and shows compassion to millions of people in need around the world because you provide the means to carry out our essential work. With heartfelt gratitude, I thank you for your generosity.

In an effort to bring you expanded coverage about what CRS is doing, I am excited to announce that, with this edition of the *Good Steward*, we are introducing a more comprehensive newsletter.

You may notice that our new title includes an image of an olive tree. Why an olive tree? Long lived and planted for the benefit of future generations, the olive tree is a powerful symbol of good stewardship, charity and faith. Similarly, the gifts you entrust to CRS are acts of faith that have a lasting effect on generations to come. I know from spending 18 years overseas with CRS that your solidarity with the world's most vulnerable people saves and repairs broken lives every day.

Inside this 36th edition of the *Good Steward*, you will find updates on gift-giving options, learn how you can join the CRS Legacy Circle, read a profile of a dedicated CRS supporter, and discover other new features. It is my hope that this edition will be useful as we wrap up 2011.

I welcome your ideas, questions, thoughts or comments, and invite you to contact me or other members of my staff by phone at 1-888-277-7575 or e-mail at plannedgiving@crs.org.

Thank you and God bless,
Rich Balmadier

Director of Planned Giving

CRS Charitable Gift Annuities Guarantee Income and Hope

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In these uncertain economic times, a gift annuity can help supplement low rates of return from savings accounts, certificates of deposit, money market funds and similar kinds of investments. In addition, the tax-free income and charitable income tax deduction provided by a gift annuity can lower your income tax cost.

Age 60 and Above?

The rate of income is based on your age when you establish your gift annuity. Your gift annuity can pay a lifetime income to one or two people **ages 60 and above**.

The following are current rates for immediate-payment gift annuities based on a sample gift of \$10,000.		
One Life		
Age	Rate (%)	Annuity (\$)
60	4.8%	\$ 480.00
65	5.3	530.00
70	5.8	580.00
75	6.5	650.00
80	7.5	750.00
85	8.4	840.00
90+	9.4	950.00
Two Life		
Ages	Rate (%)	Annuity (\$)
60/65	4.4%	\$ 440.00
65/70	4.8	480.00
70/75	5.4	540.00
75/80	5.9	590.00
80/85	6.6	660.00
85/90	7.9	790.00
90/95	9.6	960.00

Age 50 and Above?

CRS offers a similar annuity plan for people **ages 50 and above**. Income payments for one or two people, though, cannot begin **before age 60**. This flexible gift annuity program helps you build and diversify your retirement portfolio.

You may begin receiving income payments **after age 60** at a time selected by you. The annuity payment is based on age and the elapsed time between the date of the gift and the start of the income payments.

As with a traditional gift annuity, your "investment" in the work of CRS through a flexible gift annuity provides:

The following illustrates the benefits for a 55-year-old donor who gives \$10,000 for a flexible gift annuity. The donor has selected to start payments at age 65.		
If Started at Age	Rate (%)	Annuity (\$)
65	7.8%	\$ 780.00
66	8.3	830.00
67	8.8	880.00
68	9.3	930.00
69	9.8	980.00
70	10.4	1,040.00
71	11.0	1,100.00
72	11.6	1,160.00
73	12.5	1,250.00
74	13.3	1,320.00
75	14.2	1,420.00

The rates above would be lower if a second person shared in the benefits.

- A high level of future income, part of which is tax free
- Income that will last for a lifetime of one or two people
- A charitable income tax deduction when the gift is established
- Help and hope to poor and vulnerable people worldwide.

Interested in Learning More?

For a personal summary illustrating the benefits of a gift annuity based on your specific circumstances, call us at **1-888-275-7575**, extension **7324**, use the enclosed envelope or e-mail us at **plannedgiving@crs.org**. If you choose e-mail, please include in your message the information requested in the enclosed envelope.

You are under no obligation and no one will call after you receive your personal summary.

Who Offers Charitable Gift Annuities?

Only charitable organizations such as CRS provide charitable gift annuities. They are not available at banks, trust companies, brokerage firms, investment companies or any other type of financial enterprise. **CRS is pleased to offer the benefits of this special program to you.**

CRS charitable gift annuities currently are not available to California residents. We expect, though, to be able to offer them to California residents in the near future.

Our Gratitude

You make a difference in the lives of those we serve. Thank you for your ongoing support of CRS.

From Idaho With Love



Patricia Hoffman has chosen to touch the world from her home in Idaho. Idaho is nestled beautifully between the Pacific Northwest and the Rocky Mountains. Patricia grew up in St. Maries, a small town built at the confluence of the St. Maries and St. Joe Rivers.

For more than 35 years, Patricia worked for the U.S. government, including at the Bureau of Reclamation. Today, the bureau is the largest wholesaler of water in the country. Patricia dedicated her life to bringing precious water to 17 western states.

She first heard about Catholic Relief Services around 1977 during the annual CRS collection in her church. Now she is a loyal donor. “I feel that CRS serves a lot of people who can’t help themselves.”

“Helping the refugees was a big draw,” she says. I seem to have a personal need to be a part of something worthwhile and important. Growing up in the Depression, I was proud to see my parents’ name among the principal

donors to our parish, even though Dad’s income was modest. And, at Christmas, when I was asking Santa for a new doll, my mother suggested that I select from among my several dolls one to give a poor child—and doing so is a real special happy memory. These were



Photo courtesy of Patricia Hoffman

all little things: If someone admired something my mother was wearing, she might just take it off and give it to them. I just try to follow the standard that was set for me.”

Patricia started two charitable gift annuities with CRS back in 1986. “The checks arrive twice a year. One is around Christmas and the other, at tax

time. Both are very timely. Since then, her number of charitable gift annuities through CRS has reached 20.

“I like the way CRS manages money. CRS is reliable and has a good rating. That pie chart that shows that 95 percent goes to help people overseas is important to me.”

Patricia set up a charitable gift annuity for one of her eight stepchildren. “He was really pleased. When he found out about it, he said, ‘It made me feel special.’”

“The need is so great,” says Patricia. “Investing in CRS, I am confident that my small contribution is a great way to help my neighbor. And my happiness and blessings increase in so many ways.”

It appears Patricia makes her home now at the confluence of compassion and generosity. From there, she can touch the world—from Idaho with love.

Your thoughtfulness and support reach far beyond your backyard to help people like this woman in Bangladesh become self-sufficient through CRS cash-for-work programs.

Photo by Mahmud for CRS

Congress Extends IRA Charitable Rollover Law Through 2011

As part of the new federal tax law that was enacted on December 17, 2010, as the **Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010**, Congress has once again enabled IRA owners age 70½ or older to directly transfer IRA funds tax free to charity.

You may contribute IRA funds this way if:

- You are age 70½ or older
- Your total of IRA gifts for the year is \$100,000 or less
- You make the gift on or before December 31, 2011
- You transfer funds directly from a traditional IRA or Roth IRA
- You transfer the gift outright to one or more public charities, but not supporting organizations or donor-advised funds
- Your gift is given outright to a public charity but not used to establish a charitable gift annuity or a charitable remainder trust

How to make an IRA gift to Catholic Relief Services

Before contacting your IRA custodian, please notify Catholic Relief Services. Contact Demicca Ross in the Planned Giving Department by phone at **1-888-277-7575**, extension **7438**, or by e-mail at **demicca.ross@crs.org**.

When you contact your IRA custodian to authorize your donation, please instruct the custodian to send the check, with your name indicated as the donor, to the address below.

**Catholic Relief Services
Planned Giving
228 West Lexington Street
Baltimore, MD 21201-3443**

We urge you to review any important decision involving your IRA funds with your financial and tax advisors.

Consider Taking Advantage of the IRA Charitable Rollover Option Now

Will the charitable rollover option for IRAs be extended into 2012? That's the question on the minds of many charitably minded people these days.

Looking back at 2010, we faced much uncertainty as we awaited the U.S. Congress to extend the IRA Charitable Rollover law. Unfortunately, once enacted, the extension did not become law until December 17, 2010. As a result, many eligible IRA owners—within the short time available—were unable to make a qualified transfer for the 2010 tax year.

Once again, we are confronted with the same uncertainty: Will Congress extend the option through 2012 and, if so, when?

It is certainly possible that Congress will extend the IRA Charitable Rollover law into next year. However, because the timing of its enactment is unpredictable, it may be difficult for eligible IRA owners to use next year as a gift option.

The good news is that the IRA charitable rollover option is the law of the land through December 31, 2011. Consider this option—while it is still available—if it fits into your financial plans for 2011.



Have You Considered Your Legacy?

Creating an estate plan is as important today as ever—whether through a will, a trust or other arrangement. Your estate plan establishes your legacy, which makes an enormous difference to your family, friends and the causes that are important to you.

You are already a critical source of help to the millions Catholic Relief Services assists every day around the world. Will you continue as a helping hand for them and the numerous others who will reach out to CRS in the years ahead? You can—by remembering CRS in your estate plan.

As you create your estate plan, or update an existing plan, our free CRS Wills Kit can help save you time and money by preparing you before you and your attorney begin crafting your personal plan. Request your Wills Kit, without obligation, by using the enclosed envelope or contacting CRS by phone at **1-888-277-7575**, extension **7262**, or e-mail at plannedgiving@crs.org.

If you decide to include CRS in your estate plan, we would be honored to add you as a member of the CRS Legacy Circle. The names of Legacy Circle members are inscribed in a Memorial Book that permanently resides in St. Stephen's Chapel at CRS headquarters in Baltimore, Maryland, where we remember Legacy Circle members each week at Mass.

Thank you for considering CRS as part of your estate plan. Millions of poor and disadvantaged people will benefit from your legacy of kindness and compassion.



You can make a real difference in the world every month.

Footsteps in Faith is a monthly giving program that allows you to embark on a spiritual journey with Catholic Relief Services and the poor overseas.

By joining this comprehensive program, you'll help CRS support a wide spectrum of projects around the world. And your monthly gift helps us keep administrative costs low, increasing our efficiency and effectiveness. You'll also be kept up to date on the latest news about CRS' lifesaving activities around the world.

For more information, please call **(888) 277-7575** or visit online at footstepsinfaith.org

WHY GIVE MONTHLY?

- + Receive special updates on the work of CRS
- + Live your faith in an extraordinary way
- + Be remembered during Mass at CRS headquarters
- + Make an important contribution to the world
- + Give to CRS quickly and conveniently

Photo by Stephen Cunliffe for CRS

Your Donations at Work

What an extraordinary year 2010 turned out to be. Your generous support of Catholic Relief Services in 2010 helped make a difference in the lives of more than 100 million people in need. How? Let's look at just two examples.

As the year began, the world witnessed one of the most devastating disasters in recent memory: the 7.0-magnitude earthquake that struck Haiti on January 12. Thanks to



your support, CRS staff—working in some of the most difficult conditions imaginable—responded quickly with lifesaving assistance and is now rebuilding communities, one family at a time.

In Sudan, CRS launched a massive peacebuilding program with the Church in Sudan to avert a potential return to violence following the January 9, 2011, referendum on independence for southern Sudan. Miraculously, the referendum was completely peaceful. Your incredible generosity and heartfelt prayers for Sudan helped make this peace possible. Thank you.

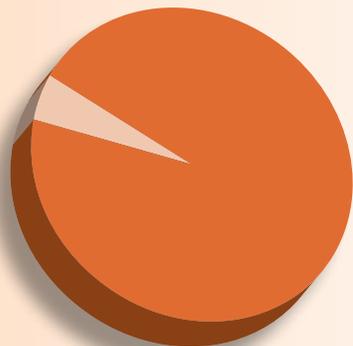
Whether responding to emergencies, large or small, working for peace, or helping others build a better future, donors like you are making a real difference in the lives of the world's poorest and most vulnerable people. Thank you!

*A Sudanese celebrant holds the flag of the newly independent nation of South Sudan.
Photo by Kim Pozniak/CRS*

This newsletter is not intended to provide legal or financial advice. Always consult your professional advisor.

Catholic Relief Services makes your concern count.

2010 CRS Annual Operating Expenses



95% Programs that benefit the poor overseas

5% Fundraising, awareness and administration



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(888) 277-7575 • www.crs.org

These seals certify that CRS meets the highest standards of transparency, accountability and effectiveness as set forth by these charity evaluation agencies.

