

Life Insurance Proceeds



A gift of **life insurance** can be a particularly economical way to provide significant support for your favorite charitable causes upon your death.

Giving life insurance proceeds may be appropriate if ...

- Your loved ones are well provided for by other means.
- You want to provide a sizeable gift without affecting your current cash flow.
- You want the flexibility to change your gift at any time.

What benefits will I enjoy?

Life insurance proceeds can be an appealing gift for donors of all ages. If you are younger, you may have taken advantage of lower, age-driven rates to purchase insurance coverage in anticipation of future family and financial obligations. Your employer might provide coverage to all employees, regardless of age or personal obligations. Or your original reasons for purchasing insurance – protecting young children or a spouse, or ensuring funds to pay the mortgage or taxes – may no longer be relevant. A gift of life insurance can be a particularly economical way to provide significant support for your favorite charitable causes upon your death.

In any of these cases, you can arrange for your “unneeded” coverage to provide for your favorite charitable causes by designating the Foundation as a beneficiary of your life insurance policy. That designation can be changed at any time and for any reason, giving you the option to redirect coverage to family or to personal financial obligations at a future time.

You can retain additional flexibility by designating the Foundation as a contingent beneficiary, to receive funds only if loved ones named as primary beneficiaries are no longer living or do not wish to receive the proceeds at your death. Because your gift is revocable – that is, you can change the beneficiary – you will not receive an income tax deduction. If your estate is taxable, however, your gift will generate an estate tax deduction when the proceeds are paid to the Foundation.

How do I give the proceeds of my insurance policy?

Your insurance company or advisor can provide you with a change-of-beneficiary form that allows you to direct all or any portion of the proceeds to the Foundation. Please be sure to identify the Foundation by its full legal name: Appleton Education Foundation, Inc. Please be sure, also, to return the completed form to your insurance company so that they will be able to distribute proceeds to the Foundation when the time comes.

Beneficiary designation forms often do not provide sufficient space for further instruction about the charitable causes you would like to benefit. To ensure that we understand how you would like your thoughtful gift to be used, please contact the AEF office to speak in confidence about your wishes.

How a gift of life insurance proceeds works:

1. You designate the Foundation as the beneficiary of a new or existing insurance policy.



2. Upon your death, proceeds are placed in a charitable fund.



3. The fund improves the community by supporting educational causes you selected.

Please contact Julie or Lori at the AEF office at 920-832-1517 if we can assist you in meeting your charitable goals.

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www.appletoneducationfoundation.org

The Appleton Education Foundation Inc. is a supporting organization within the Community Foundation for the Fox Valley Region Inc.