THE NAVIGATORS
To know Christ and to make Him known

ESTATE & FINANCIAL PLANNING DEPT. **www.navgift.com**

LEAVING A LEGACY INSTEAD OF AN INHERITANCE

A. INTRODUCTION

B. AVOIDING PROBATE, TAXES AND TIME DELAYS AT DEATH

1. You will need an estate plan
   - a. Wheel illustration
   - b. The issues of ownership – control, benefit and title
   - c. You have the responsibility to choose your successor
2. Estate Tax – there is now a generous personal exemption
   - a. Must have a trust to use both spouses unified credit
   - b. In larger estates the problem is you can die too soon or too late
3. Probate costs and delays
   - a. Probate fees usually run about 5% of estate value
   - b. Time of probate is usually 12 - 18 months
   - c. A lot of paperwork and bother that can be avoided
4. Income Taxes
   - a. Built up tax on all retirement accounts and deferred annuities

C. LET'S LOOK AT HOW INHERITANCE IS VIEWED IN THE BIBLE

1. Psalm 37:11 + 29 and Matt. 5:5
2. Matt. 19:29 + Matt. 25:34
3. Col. 3:23

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4. Matt. 25:14 and Luke 19:11
5. Revelations 21:7
6. Proverbs 13:22
7. Eccl. 7:11-12

D. WHAT DO YOU OWE YOUR CHILDREN IN AN INHERITANCE

1. We struggle with the myth of the American Dream
2. Your money is not their money – an inheritance is not a right
3. What do you want for your children
4. Factors for success
    a. It takes courage to be successful
    b. Select a vocation that you love
    c. Strong correlation between # of years of marriage and wealth
    d. Think for yourself
    e. Successful people go out of their way to find advisors and mentors who can help them along the way
    f. Successful people now how to handle criticism
    g. Successful people work hard
    h. Learn to live below your means

E. TAKE A LONG TERM vs. A SHORT TERM PERSPECTIVE

1. Consider making your children's inheritance a capital asset instead of a consumable asset
2. What about grandchildren
3. How can we use our wealth as a tool for our family

F. REWARD THE BEHAVIORS THAT YOU WANT TO ENCOURAGE

1. Why do something for your children at death that you would never do during life

2. An inheritance can severely disrupt a life

3. Set up the inheritance so that it pays for things that you value:

    a. Education
    b. Healthcare
    c. Mission experiences
    d. Down payment on a home
    e. Loan to start a business – the family bank
    f. Family vacations
    g. Gifts to charity or for benevolence

4. Make the inheritance a "family asset" – a Legacy

G. PLAN STRATEGICALLY NOT TACTICALLY

1. Find people who can help you accomplish **<u>your</u>** goals

2. Make adjustments when your family changes

3. Remember your charitable children

H. SHOULD YOU TELL YOUR CHILDREN ABOUT YOUR PLAN

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LEGACY TRUST WORKSHEET

2. Would you like any outright distributions of principal to go to your children after your death? If yes, what amounts or percentages would you like distributed and at what ages?

3. For which of the following would you like the Trustee to be authorized to make distributions:

    ______ Education Expenses

    ______ Medical Expenses

    ______ Ministry/Charitable Service

    ______ Down payment for 1st home (______%)

    ______ Loan for business start up
    (up to $_______ with ___% annual interest for 10 years)

    ______ Family Vacations

    ______ Net income from Trust for children's retirement

    ______ Other ____

2. How long do you want the Trust to last?

    _____ Children's lifetimes _____ 100 Years

    _____ Grandchildren's lifetimes _____ As long as possible

    _____ Other ____

2. When the Trust ends how should any remaining principal be distributed?

    _____ To living grandchildren _____ Other _________________________

    _____ To living heirs

    _____ To charity_______________

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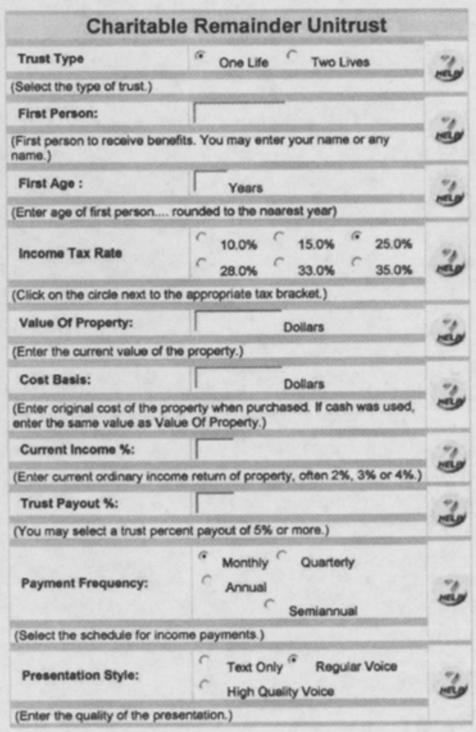
A USER'S GUIDE TO WWW.NAVGIFT.COM

By going to www.navgift.com you can use your own information to prepare a power point presentation with audio explanation using your numbers and your situation. In order to prepare a personal presentation on the website for a Charitable Remainder Unitrust follow the steps listed below.

1. **Go to www.navgift.com.**
2. **On the left hand column click on "Create Your Plan".**
3. **Click on "Charitable Remainder Unitrust" from the boxes on the page under Select a Presentation.**
4. **When you see the worksheet below, fill in the blanks and click on "Prepare Color Slides". In less than 30 seconds a power point presentation will be prepared showing the operation of the Unitrust and the benefits for you using the information that you filled in on the worksheet.**


Charitable Remainder Unitrust

Trust Type — One Life — Two Lives
(Select the type of trust.)

First Person:
(First person to receive benefits. You may enter your name or any name.)

First Age : Years
(Enter age of first person.... rounded to the nearest year)

Income Tax Rate — 10.0% — 15.0% — 25.0% — 28.0% — 33.0% — 35.0%
(Click on the circle next to the appropriate tax bracket.)

Value Of Property: Dollars
(Enter the current value of the property.)

Cost Basis: Dollars
(Enter original cost of the property when purchased. If cash was used, enter the same value as Value Of Property.)

Current Income %:
(Enter current ordinary income return of property, often 2%, 3% or 4%.)

Trust Payout %:
(You may select a trust percent payout of 5% or more.)

Payment Frequency: — Monthly — Quarterly — Annual — Semiannual
(Select the schedule for income payments.)

Presentation Style: — Text Only — Regular Voice — High Quality Voice
(Enter the quality of the presentation.)

You can also run presentations on a Gift Annuity, Deferred Gift Annuity, Charitable Remainder Annuity Trust, Sale and Unitrust and Part Sale and Part Gift by choosing the appropriate button under Select a Presentation.

On the website you will also find donor stories which tell about others who have used these gift plans, articles on financial and tax planning, an opportunity to sign up for a monthly Enewsletter and other useful information.

The Estate Planning Inventory

I PEOPLE

A. Family

Date

Full Legal Name | Birthdate | Occupation

Full Legal Name | Birthdate | Occupation

Address: Street | City | State | Zip | County

Telephone: ( ) Home | ( ) Business

Marital Status: ____ Married ____ Single

____ Divorced ____ Widowed

Children:

Full Legal	Age	Address (if different than above)

B. Special Considerations

Do you support or expect to support anyone other than spouse and children?

Do you or any of your dependents have health problems?

Any previous marriages or support obligations?

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II PROPERTY INVENTORY (Approx. values)

Please indicate whether properties are owned by (H) husband, (W) wife or (J) joint tenancy. ie: Stocks 20,000 (H)

A. Cash

Cash on Hand ________

Money Market Funds ________

B. Real Estate

Home Value ________ Mortgage Amount ________

Other Property ________ Mortgage Amount ________

C. Personal Property

Household ________ Automobiles ________

Art, Antiques, Other Collectibles ________

D. Investments

Stocks ________ Government Securities ________

Bonds ________ Mutual Funds ________

E. Retirement

Group Plan ________ IRA/TSA ________

Other ________

F. Life Insurance

Face Value ________ Cash Value ________

G. Business Interests

Equity in Business ________

H. Liabilities (Not Previously Listed)

Amount Owed ________

PRESENT NET WORTH

Assets

Cash ________

Real Estate ________

Personal Property ________

Investments ________ Total Assets ________

Retirement ________ Liabilities (–) ________

Life Insurance ________

Business Interests ________ Present Net Worth ________

III PLANS AND OBJECTIVES

A. Family Priorities

Rate each on a scale of 0 to 5
(0 = not important, 5 = very important)

PROVIDE SECURITY FOR FAMILY

_______ Surviving Spouse

_______ Children, Until Age _______

_______ Grandchildren, Until Age _______

DEAL WITH TAXES AND PROBATE

_______ Avoid Probate _______ Reduce Estate Taxes

_______ Reduce Income Tax

PROVIDE FOR BETTER FINANCIAL MANAGEMENT

_______ Increase Retirement Income

_______ Better Management of Assets

_______ Retain Business in Family

PROTECT AGAINST HAZARDS TO FINANCIAL SECURITY

_______ Disability _______ Retirement

_______ Death _______ Liability

_______ Unforeseen Emergency

B. Distribution of Assets

Upon my death, I desire my estate to be distributed as follows:

____

____

Upon the death of the surviving spouse, the estate is to be distributed as follows:

____

____

In the event my children, or other persons named to receive a share of my estate shall not be living at the time of my death, their share shall be distributed as follows: (list in order of preference, i.e. 1,2,3,4)

_______ To their children in equal shares

_______ To my surviving children

_______ To the Lord's work _______________________

_______ Other _______________________

C. Comments on Plans and Objectives

____

____

____

IV PERSONAL REPRESENTATIVES

Executor(s) (personal representatives), guardian(s) and trustee(s) are the people you designate in your estate plan to take care of your family and property in the event of your death.

A. Executor(s) (Personal Representatives)

The person(s) you appoint in your will to pay debts and distribute your property according to the terms of the will.

Executor of Husband's Estate

Name ______________________

City ______________ State ______

Husband's Alternate Executor

Name ______________________

City ______________ State ______

Executor of Wife's Estate

Name ______________________

City ______________ State ______

Wife's Alternate Executor

Name ______________________

City ______________ State ______

B. Guardian(s)

The person(s) you appoint to take care of your children until they reach the age of majority in the event of the death of both parents.

Name ______________________ Name ______________________

City ______________ State ______ City ______________ State ______

C. Trustee(s)

The person(s) or organization who agree to manage the assets in accordance with the trust. Even though you require only a will, if you have minor children, a trustee will be necessary to manage the children's assets until your designated distribution date.

Name ______________________ Name ______________________

City ______________ State ______ City ______________ State ______

V PREVIOUS PLANNING AND PLANNERS

Do you currently have a will or other plans for your estate?

_______ YES _______ NO

If yes, explain: ____.

Do you currently have an attorney?

_______ YES _______ NO

If yes: Attorney's Name ________________________________

Address ____

Who has helped you with your financial and estate planning?

_____ Attorney _____ Financial Planner

_____ Accountant _____ Stock Broker

_____ Insurance Agent _____ Other_______________

Live *forever*

The Wall Street Journal reports that those people that have estate planning documents live an average of 3½ years longer than those who don't.

Researcher's report that the average person who includes The Navigators in their estate planning documents will live ***forever.***

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Place
Stamp
Here

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To Know Christ and to Make Him Known

Well, maybe not *forever* on this earth but for eternity in heaven. Even though you may be living for eternity, you still need to take care of your planning here on earth. At The Navigators, we have big plans to reach future generations with the gospel. We won't stop until every lost person hears the gospel, every believer becomes a disciple and every disciple becomes a laborer. Most of the funds raised by The Navigators go for the individual support of our missionaries. Gifts from estates can be used to recruit, train and equip qualified new missionaries so that we can reach new college campuses, new military bases, new countries and new communities with the spiritual transformation message of The Navigators.

The Estate and Financial Planning Department of The Navigators has trained professionals that can help answer your questions and help you get your estate in order. Just fill out the postcard below and we will get back to you with information or a telephone call. You can also call our message line at 1-800-530-8282 ext. 2427 or visit our website at www.NavGift.com.

—Bill Moritz, Atty. Director

Name ______________________ Email ______________________

Address ____

City/State/Zip ____

Telephone# ____________________ Best Time To Call ____________

Occupation ____________________ Age ______________________

Please send me information and/or contact me regarding the following:

- ☐ The Navigator ministry
- ☐ Estate Planning
- ☐ Retirement planning
- ☐ Gift Annuities
- ☐ Including the Navigators in your will or trust
- ☐ Charitable Trusts

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