



The Jewish Federation
OF GREATER WASHINGTON

United Jewish
Endowment Fund

Key Donor Life Insurance Program



Have you considered making a lasting gift to your Jewish community but were concerned about how to do so?

Do you want to make a charitable investment now that will yield significantly more in the future?

Partner with the United Jewish Endowment Fund to create a life insurance gift. The Endowment Fund will share the cost of qualified new policies with you.

At A Glance

- Your gift creates a large endowment for the Jewish community in the future even if you do not have the resources now for a large gift.
- The Endowment Fund will advance half of the premiums for qualified, four-pay policies
- Premiums paid to the Endowment Fund can be tax-deductible charitable donations
- Your name, or the name of a loved one, can be permanently memorialized
- With the policy proceeds we will establish a permanent fund. Your fund will be invested in a professionally managed, well-diversified portfolio. Each year, we direct a distribution in your name to the Annual Campaign or Endowment Fund grants.

What Else Do I Need to Know?

- This program is available for qualifying life insurance policies where UJEF is owner and beneficiary of a policy with a minimum death benefit of \$125,000.
- You and the Endowment Fund secure a policy illustration from a qualified life insurance company for a four-pay policy.
- The program accepts whole life, current assumption universal life and no-lapse guarantee universal life policies.*
- The contract can be individual life or survivorship life.
- You pay half of the annual policy premium cost for four years.
- The Endowment Fund advances the other half of the annual premiums.
- Once the policy matures, the Endowment Fund will use the policy proceeds to recover the advanced premiums and create a permanent fund in the name you choose.
- You may direct the proceeds to the UJEF's general grant making or to perpetuate your annual campaign gift. (PACE/LOJE)

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Life Insurance

Key Donor Life Insurance Program

For Example...

Sarah, age 50, gives \$5,000 to Federation's annual campaign each year as a Lion of Judah. To continue her support of our Jewish community in perpetuity, Sarah wanted to create a legacy gift. She worked with her insurance broker and found a \$125,000 permanent life insurance policy with a \$6,400 fixed premium and a guaranteed death benefit. The policy would be fully funded after four years of premiums. UJEF took out the policy, and advanced \$3,200 (1/2 of the premium) each year for four years. Sarah made tax-deductible gifts of \$3,200 to UJEF each year for four years to cover the other half of the premium. When the policy matures, UJEF will recover from the death benefit the premiums it advanced plus

interest at 2.5% per year (not to exceed total interest of \$25,000). Sarah will have created a Lion of Judah Endowment Fund of at least \$100,000 that will perpetuate her annual gift to Federation.

** Please note: (1) The proposed insurance company must be rated by either by Standard & Poor's as AA or above, by Moody's as Aa2 or above or by Best's as A or above or have an established Comdex rating of 90 or above; (2) for a whole life insurance policy, the annual premium, paid over not more than four years, must be based on the current dividend scale less 1%, with dividends used to purchase paid up additional life insurance. The future premiums beginning in year 5 are funded from the surrender of accumulated and future paid up additional life insurance; (2) For current assumption universal life insurance, the annual premium, paid over not more than four years, must be based on the current crediting rate less 1%, and less the current cost of insurance and current expenses assuming the policy endows at the maturity age (endow means that the cash value equals the death benefit); (3) For no-lapse guarantee universal life insurance, the annual premium, paid over not more than four years, must be based on the no-lapse guarantee premium required to maintain the policy until the maturity age (age 120 or if the maturity age is greater than 120, then the later maturity age); (4) The policy must be designed to last until the maturity age (usually age 120); (5) policies with annual premiums of \$200,000 or more require further review.*



For more information, please contact:

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The United Jewish Endowment Fund of the Jewish Federation of Greater Washington strives to help our community provide an enriched Jewish life today and a vibrant Jewish tomorrow. The Endowment Fund connects philanthropists with opportunities to meet Jewish needs and *tikkun olam*—repairing the world. Together, we strengthen and advance Jewish life in the Greater Washington area and around the world.

The United Jewish Endowment Fund of The Jewish Federation of Greater Washington

- Generates permanent funds to support the work of our Jewish Federation family of agencies and beyond to the Greater Washington community;
- Catalyzes diverse funding sources to leverage our ability to meet Jewish needs and effect change in the broader community;
- Awards seed money to new and innovative initiatives for enriching Jewish life and for *tikkun olam*; and
- Furnishes funds for unanticipated and emergency needs locally and overseas.

The United Jewish Endowment Fund's Legacy Society recognizes those individuals who create a permanent fund of at least \$10,000 to sustain the vitality and strength of our Jewish community. If you establish a fund of \$200,000 or more, you will become a member of the national Star of David Society of the Jewish Federations of North America.

Contributions to the United Jewish Endowment Fund are tax deductible to the full extent the law allows.

This material is not intended to provide professional or legal advice. Please consult your advisors for professional advice.



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