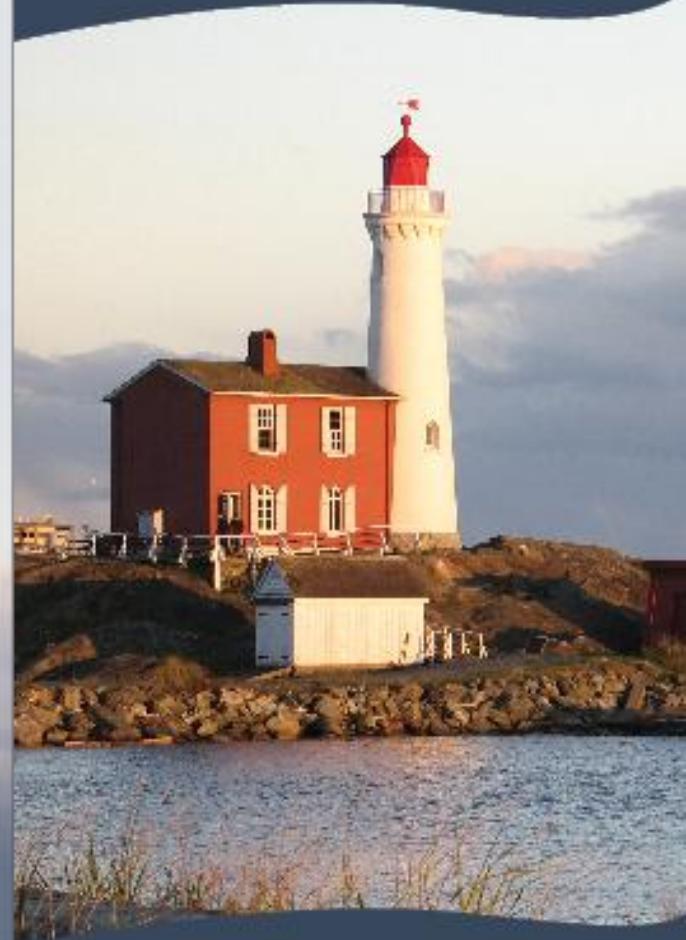


A Guide to Gift Annuities



How to Make a Gift Annuity

Several types of assets may be gifted in exchange for a charitable gift annuity.

Cash

A cash gift is an excellent way to fund a gift annuity. A large portion of the annuity income will be tax-free.

Appreciated Securities

Capital gain tax may be bypassed on a gift of appreciated securities to fund a gift annuity. Payouts can be high depending on age. A portion of the income stream will be taxed at the lower capital gain rate and another portion may be tax-free.

Real Estate

Highly marketable real estate may be gifted to bypass capital gain tax and provide fixed income for life. Income may include capital gain and tax-free amounts.

Please contact us to discuss payment options for your gift annuity.

Interest rates range from 4.4% to 9.0%, based on your age.

Request Further Information

I have reviewed your brochure on Gift Annuities and wish to receive a custom proposal:

Name _____

Street _____

City _____

State / Zip _____

Home Phone _____

E-mail _____

Birth Date _____

Amount \$ _____

(Please complete and return. All inquiries are confidential.)

Miracle Distribution Center

3947 E. La Palma Avenue

Anaheim, CA 92807

1-800-359-2246

E-mail: info@miraclecenter.org

Website: www.miraclecenter.org

Minimum amount to begin a CGA is \$10,000.00. (\$25,000 in California.) Minimum age to begin payments is 60. Minimum age for a deferred annuity is 45. Available for single life and joint life.

What are Gift Annuities?

Are you looking for secure sources of fixed income for now or future retirement? If you are like many individuals who own appreciated securities and personal residences, you are tired of living at the mercy of the fluctuating stock and real estate markets. You recognize that if you sold your appreciated assets you would face a high capital gain tax. Also, you want to make investments that are secure today and in the future.

There is a solution, a plan that provides you with fixed income for life, avoids capital gain tax and leaves a lasting gift to Miracle Distribution Center. This plan is a charitable gift annuity.

A charitable gift annuity is a contract between you and us. You can transfer your appreciated assets to us in exchange for our promise to pay you fixed income for your life. The income can be quite high depending on your age, and a portion of your income stream may even be tax-free. Best of all, you will receive a charitable deduction for the value of your future gift to us plus the satisfaction of contributing to a worthy cause.

Gift Annuity Options

There are excellent options for establishing a charitable gift annuity. For current income, you may transfer property for a fixed income beginning as early as this year. Perhaps you are not ready to begin receiving income until a fixed retirement date. You can establish a deferred gift annuity, take your charitable deduction now and then plan to receive payments at a designated future date. A deferred gift annuity also offers the option to establish the gift annuity now and take a current deduction while maintaining a flexible future retirement date.

Current Gift Annuity Donor

Elizabeth purchased stock years ago for \$2,000. The stock appreciated substantially to \$20,000. Elizabeth was nearing retirement and seeking a secure source of future income. Because of the fluctuating markets, she desired to sell her stock. However, she wanted to avoid paying high capital gain taxes. As an active volunteer,



she hoped to make a significant gift this year. Elizabeth discovered that she could transfer her stock in exchange for almost 8% fixed annuity payments, based on her age. Elizabeth could begin receiving income now, take a current charitable deduction and avoid capital gain tax on the gift. Best of all, a portion of her income would be tax-free. Elizabeth decided to transfer her appreciated stock in exchange for the gift annuity and was delighted with the resulting fixed lifetime payments.

Deferred Gift Annuity Donor

David was an executive in resort management. He recently sold a rental property and was looking to invest the \$50,000 cash proceeds from the sale. He enjoyed the challenge and responsibility of his job



and was not ready to retire, but was interested in investment options that would provide income for the future. David wanted to make a special gift to help further the work of his favorite charity. Then a gift planner told David that a deferred gift annuity would meet his goals. David could fund a deferred gift annuity and receive an immediate charitable tax deduction. He could begin taking payments at a fixed date in the future or be flexible with his retirement date. David decided to set up the deferred gift annuity and received an immediate charitable tax deduction.