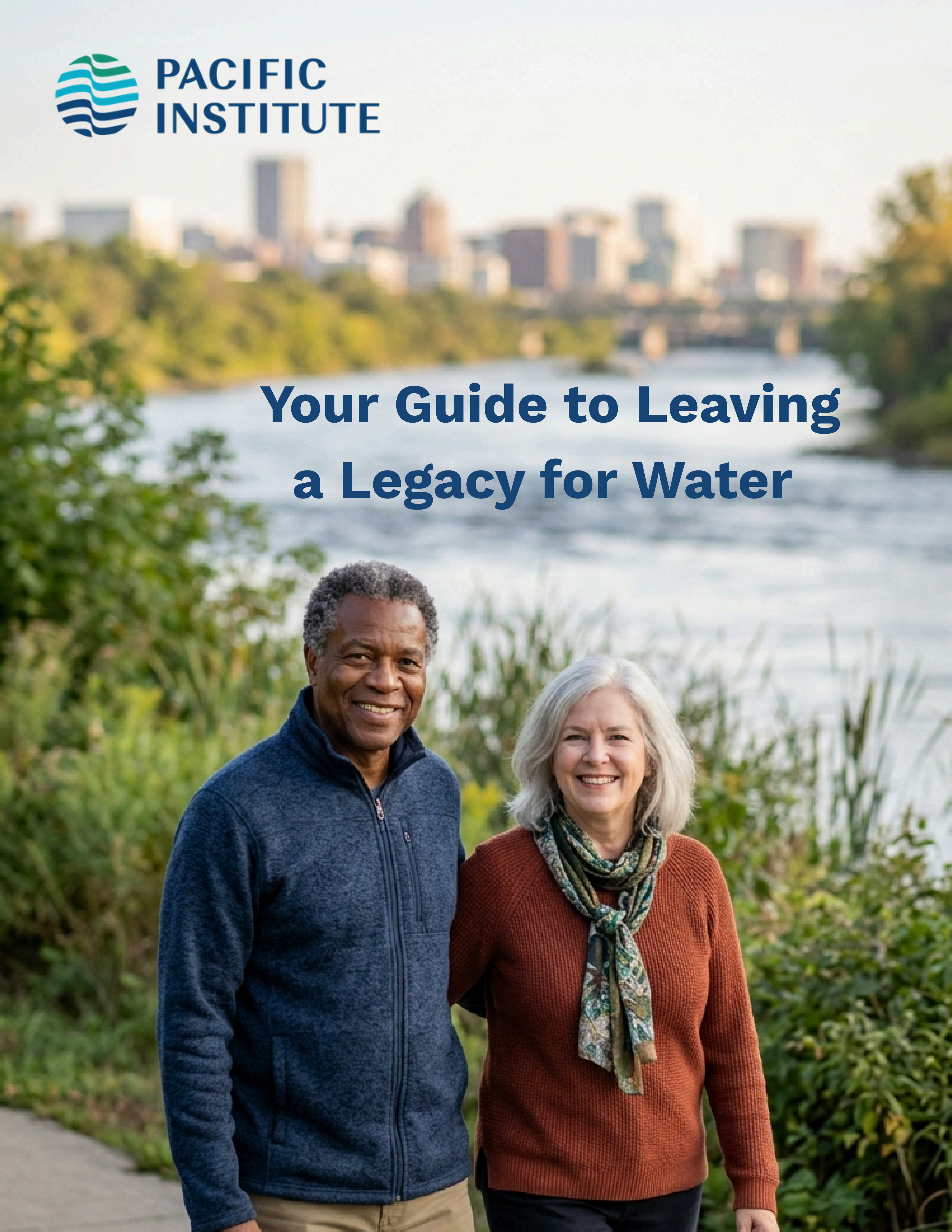
PACIFIC INSTITUTE

Your Guide to Leaving a Legacy for Water



Your Guide to Leaving a Legacy for Water

Without water, we are nothing.

Every human in every community needs safe, clean water. Water impacts human and ecosystem health, energy, agriculture, food security, business, peace, and human rights.

But environmental, social, economic, and political stresses and shocks worldwide have led to growing competition for freshwater resources, rapidly deteriorating water quality, poor and declining ecosystem health, unprecedented biodiversity loss, and a failure to meet people's basic water and sanitation needs. Together, these add up to a global water crisis.

When you leave a legacy gift to the Pacific Institute, you:

- **Research** to identify innovative water solutions.
- **Convene** to inform policy and practice.
- **Partner** to support implementation of solutions.

Because with research, partnership, policy change, and implementation, we can strengthen communities and nature to build water resilience – a future in which nature and people can thrive despite shocks, stresses, and change.

Getting Started

If you don't already have a will, now is the perfect time to take care of that crucial task. It may be far easier than you think. Our fresh water is a precious resource. The legacy gift you plan now will make a lasting difference.

You can start by considering what type of gift-by-will makes sense for you.

Tip: Be sure your will includes the EIN and specifies the organization(s) you want to receive gifts. This can simplify your will's execution and make sure your charities will benefit more quickly from your gifts.

Pacific Institute EIN:
94-3050434

Types of Gifts

You have four main options for leaving a legacy for water resilience in your will. You could choose one that makes the most sense for you or decide to use a combination.

- **Bequests**: A common and simple way to leave a legacy gift. You can leave a bequest to the Pacific Institute in any of these ways:
  - **Specific Bequest** – Designate the amount of money or specific asset (property, securities, etc.) you wish to donate.
  - **Percentage Bequest** – Designate the percentage of your estate you want distributed to the Pacific Institute.
  - **Residuary Bequest** – Instruct that any remaining part of your estate be distributed to the Pacific Institute after distributions are made to family, friends, etc.
  - **Contingent Bequest** – Instruct that the Pacific Institute receive assets in the event that a beneficiary in your will is no longer living.
- **Gifts of Life Insurance:** Another simple way to leave a legacy of safe water is to name the Pacific Institute as a beneficiary of any individual or group life insurance policy. You will get an estate tax deduction for insurance proceeds that go to the Pacific Institute upon your death.

More continued on next page

Many people find they can prepare a legal will quickly, and with minimal cost. One helpful and free tool, available at **FreeWill.com**, walks you through the process. FreeWill uses simple online forms that don't have to be finished in one sitting. They include prompts to include gifts to your favorite nonprofits. The final document can serve as your legal will once it's signed and notarized. You can also use it to help organize your thoughts before sharing them with a trusted professional advisor.

If you believe your situation is more complicated or find that your financial assets are sizeable, we encourage you to seek assistance from qualified counsel, such as a lawyer with estate planning expertise, to help you prepare or modify your written will to include the Pacific Institute. The unique characteristics of your financial and estate planning circumstances will determine whether tax deductibility should be a consideration for bequests in your will. Your advisor can also help you determine which type of bequest will best fulfill your intentions and craft the appropriate written instructions for that part of your will.

- **<u>Charitable Lead Trusts</u>**: With a charitable lead trust, you transfer cash or appreciated property to a trust, which makes payments to the Pacific Institute for a period of time, after which the assets of the trust are transferred to your beneficiaries. These trusts are particularly useful for managing capital gains and gift taxes for assets that have appreciated in value.
- **<u>Retirement Plans and Other Investments</u>**: An IRA, 401(k), 403(b) or another qualified retirement plan has tax benefits for accumulating assets, but at death these accounts may be subject to income and estate taxes. Without planning, over 60% of the value of your tax-deferred accounts may go to taxes. Gifting these accounts makes use of the full value of the assets. To leave your IRA or other retirement plan to the Pacific Institute (either as primary or contingent beneficiary), contact your retirement plan company to request a change in beneficiary designation form.

Beneficiary Designations

Whether you have a will or not, there are simple forms you can request from any financial institution that **allow you to give precise instructions** (for individuals or for nonprofit causes like the Pacific Institute) that must be followed.

You should **complete and return a Beneficiary Designation Form for every bank account** (checking, savings, money market), investment or retirement account, annuity plan, or life insurance policy. These are sometimes also called Transfer-on-Death forms.

Most beneficiary designations can be configured similarly to gifts by will: specified dollar amounts, percentages (a good option for many), or specific assets (e.g., shares of stock).

Sample Bequest Language

Example: Specific Bequest — Percentage

"I hereby give and bequeath to Pacific Institute, a non-profit California corporation whose office is located at 1920 Broadway, #1903, Oakland, CA 94612, tax I.D. #94-3050434, [INSERT PERCENTAGE]% of my estate to be used for its general purposes."

Example: Specific Bequest — Dollar Amount

"I hereby give and bequeath to Pacific Institute, a non-profit California corporation whose office is located at 1920 Broadway, #1903, Oakland, CA 94612, tax I.D. #94-3050434, the sum of $[INSERT DOLLAR AMOUNT] to be used for its general purposes."

Example: Specific Bequest — Designated Asset

"I hereby give and bequeath to Pacific Institute, a non-profit California corporation whose office is located at 1920 Broadway, #1903, Oakland, CA 94612, tax I.D. #94-3050434, [INSERT DESCRIPTION OF INVESTMENT, INSURANCE, BANK ACCOUNT, PROPERTY OR OTHER ASSETS] to be used for its general purposes."

Example: Residual Bequest

"I hereby give and bequeath to Pacific Institute, a non-profit California corporation whose office is located at 1920 Broadway, #1903, Oakland, CA 94612, tax I.D. #94-3050434, all of the rest, residue and remainder of my estate, both real and personal, after providing for the other specific provisions of this Will, to be used for its general purposes." (*it is possible to substitute "% of the rest" for "all of the rest"*)

For More Information

To learn more about leaving a legacy of water resilience, please visit: https://pacinst.org/legacy-of-water-resilience/

For assistance with making a gift in your will, donations of stocks or other appreciated assets, gifts that can pay you life income, or other high-impact giving options, please contact **Alli Burdick, Senior Specialist, Development** at aburdick@pacinst.org or **510-426-5643**.

Please let us know about your plans to leave a legacy for water resilience in your will and/or beneficiary designations so that we may thank you.

PACIFIC INSTITUTE
REIMAGINING WATER FOR A CHANGING WORLD

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