



CHARITABLE GIVING



SECURELIVING[®] IMMEDIATE ANNUITY SERIES

Making a Charitable Gift Annuity Easier for Everyone

Your Client: A charity that raises money using charitable gift annuities but is concerned about losing money if a donor lives unusually long or if its investments perform poorly.

Situation: Charities in most states can agree to pay a donor a lifetime income in return for a gift. The income is fixed when the gift is made and continues for the donor's life. However, if the donor lives longer than expected or if the charity's investments perform poorly, the charity may end up paying more to the donor than it receives.

Strategy:

- The charity uses part of the donor's gift to buy a Genworth Life SecureLiving single premium immediate annuity (SPIA) with payments for life. It sets the monthly benefit amount equal to the income it has agreed to pay the donor.
- No matter how long the donor lives, the charity will have the income it needs to honor its obligations to the donor and will not have to manage any investments to produce that income.

Example:

- Matt, age 67, is a long time donor to a favorite charity. He wants to give more but feels doing so could mean he will not have enough income later in life.
- He gives the charity \$100,000 and the charity promises to pay him \$492 a month for as long as he lives. Part of each payment is income tax-free for 18.4 years. He takes a \$30,338 charitable income tax deduction.¹
- The charity buys a SecureLiving SPIA with a premium of \$67,230, paying \$492 a month for as long as Matt lives.² The difference between Matt's gift and the cost of the SPIA \$32,770 belongs to the charity.
- No matter how long Matt lives and no matter how the charity's investments perform, it will always have the money it needs to pay Matt.³

¹ Based on gift annuity rates suggested by the American Council on Gift Annuities effective 7/1/2008.

² If Matt used the entire \$100,000 to buy the SPIA, his income would be \$740 a month for life. But he would not satisfy his charitable desires. Nor would he get the income tax deduction. Rates as of 6/16/2008.

³ Because it is an unsecured promise, if the charity files for bankruptcy, Matt's income is at risk.

SecureLiving[®] immediate annuities are issued by Genworth Life and Annuity Insurance Company, Richmond, VA and Genworth Life Insurance Company, Lynchburg, VA. Subject to policy form series MP7172 et al, P7172 et al, GMP7172 et al, GP7172 et al, GNWLA6012 et al and GEC6012 et al.

SecureLiving[®] NY immediate annuities are issued by Genworth Life Insurance Company of New York. Subject to policy form series GENY8010 and GENY6012.

Genworth Life and Annuity Insurance Company and Genworth Life Insurance Company are licensed in all states except New York. Only Genworth Life Insurance Company of New York is licensed in New York.

The SecureLiving® immediate annuity series consists of single premium immediate annuities issued as individual annuity contracts or certificates associated with a group annuity contract. Features and benefits may vary by state, market and contract. Ask your representative for details.

All guarantees are based on the claims-paying ability of the issuing insurance company.

The discussion of tax treatments in this brochure is Genworth Life & Annuity's interpretation of current tax law and is not intended as tax advice. You should consult your tax professional regarding your specific situation.

This is a brief product summary. Consult your contract for a detailed description of benefits, limitations, and restrictions.

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