



Estate Planning



PROJECT
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Meals with Love

Estate planning is the most effective way for you to manage your assets during your lifetime, provide future financial security for your family and loved ones, and make a generous contribution to a charitable organization.

All of your possessions are part of your “estate,” and deciding in advance what you are going to do with your possessions is called “estate planning.” Many people think estate planning is only for the wealthy. However, a person’s estate includes not only cash, stock and bonds, but also equity in a home or other real estate, life insurance proceeds, deferred employee benefits and the like.

These and other assets require careful handling and disposition. That is the purpose of estate planning.

An important part of this planning involves reducing and minimizing tax obligations. Planned giving provides innovative and highly individualized solutions to the financial challenges faced by both individuals and charitable organizations. A well-drafted estate plan strategy can ensure maximum financial benefits to you while facilitating gifts to charitable organizations. The key to estate planning is to design a plan that reflects your priorities.

Your top priority may be to take care of yourself and good estate planning requires financial management during your lifetime. For example, you may want help with your financial responsibilities in the form of a living trust, or you may only need a reserve arrangement ensuring your investments will be prudently managed and financial

obligations met in case you suffer poor health or develop a disability.

Or, your priority may be providing for those close to you — you and your spouse/partner may want to determine how your assets will be handled for the maximum benefit of the surviving spouse/partner. If you have children or grandchildren, you may wish to provide for their needs. A good estate plan will address your priorities and give you peace of mind that you have provided for yourself, your family and your loved ones.

Estate planning takes advantage of various tools that precisely indicate your intentions, and provide the powers to accomplish them. The most common forms of estate planning tools are:

Will

A will is the foundation of most good estate plans. A will's provisions can address tangible and intangible assets, the care of minor children, support for worthy causes such as Project Open Hand, and much more. Among other things, a will can ensure that none of your assets are overlooked by including a clause distributing the estate's "residue" — that is, whatever is left in the estate after all of the specific bequests in the will are distributed.

Charitable Remainder Trust (CRT)

A CRT provides you a lifetime income from a charitable gift, and offers several significant estate planning and tax savings advantages. Although there are several types of CRTs, the basic procedure is the same: a donor transfers assets to an irrevocable trust. The trust then distributes income from the assets to the donor and/or the donor's spouse/partner for the donor's lifetime. After the donor's death, trust income payments are directed to other

designated individual beneficiaries for all or a portion of their lifetimes. When all the trust beneficiaries have passed away, the trust assets pass tax-free to the charitable organization designated in the trust. Other forms of trusts offer additional income options and tax savings.

Insurance Policies

Life insurance policies provide payment of a known amount to a designated beneficiary upon the death of the insured. You can designate any beneficiary you would like, including an individual, your own estate, a trustee under a will or trust agreement, or a charitable organization like Project Open Hand.

Deferred Employee Benefits

For a variety of pension plans, profit-sharing plans, group insurance plans and stock option plans, you designate to whom the benefits will go. You can designate your estate, an individual, or a charitable organization like Project Open Hand to receive these deferred employee benefits.

“My friend Victor received meals when he was sick and I wanted to help Project Open Hand deliver meals for many years to come.”

— Rick Bowerman, Legacy Circle member



Getting Started

Estate planning is not a simple task, but it can be accomplished in a few simple steps. Be prepared to meet with a knowledgeable attorney or other financial advisor. Next, make a personal inventory of your assets, their current value, type of ownership and the amount owed on your liabilities. Then, make a list of beneficiaries including names, addresses and telephone numbers of all the beneficiaries, along with the names of charitable organizations that are to receive a gift through your estate planning.

You are now ready to meet an estate planning advisor who will help you study your options and arrive at the best choices for you and your family. The worst mistake in estate planning is procrastination — without a plan, your loved ones may have to pick up the pieces of a complex financial puzzle at just the time illness strikes or an accident occurs. Good estate planning will give you peace of mind that your assets will be used just as you intend.

“I wanted to plan my estate and, at the same time, leave something to a great organization. There will always be sick people who need a good meal and a warm smile.”

— Carol Ann Britschgi, Legacy Circle member



Meals With Love

Founded in 1985 by Ruth Brinker, a retired food service worker, Project Open Hand provides comprehensive nutrition services in San Francisco and Alameda County to men, women and children living with HIV/AIDS, delivers meals to homebound people with critical illnesses and serves congregate lunches to seniors. Project Open Hand relies on the support of individual donors, and about 70% of our revenue comes from private sources.

Leave A Legacy

People living with HIV/AIDS are now leading longer, healthier lives. And with our expansion of services to the homebound critically ill and to seniors, we know that Project Open Hand's services will be needed for many years to come. One way you can help us continue our important work into the future is by giving a gift after your death to Project Open Hand. By including Project Open Hand in your estate planning now, you will leave a legacy of kindness and compassion.

Meals For Life Legacy Circle

The Legacy Circle was established in 2000 to recognize the generosity of Project Open Hand's friends who have included us in their estate planning. Legacy Circle members are recognized in our quarterly newsletter, *Meal Times*, and in our Annual Report. Members receive regular updates about important developments at Project Open Hand and invitations to special meetings and events.

If you have any questions regarding planned giving opportunities at Project Open Hand, please call us at 415-447-2300 and we will be happy to provide assistance and offer referrals to qualified financial advisors. To participate in the Legacy Circle, simply notify us when you have completed your estate planning.

The information in this publication is not intended as legal advice.
Please consult an attorney for legal advice.



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