

You...YOUR Family YOUR CHARITABLE DREAMS

SUCCESS
SIGNIFICANCE
STEWARDSHIP



WHAT IS YOUR LEGACY? HOW CAN WE HELP YOU BUILD IT?



COVENANT TRUST COMPANY®

your financial services partner

trustee services • asset management • retirement planning • legacy planning

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"SUCCESS SIGNIFICANCE

is ABOUT THE life WE LIVE.
is ABOUT WHAT LIVES ON
BECAUSE OF THE life WE LIVE.



NOT ALL THAT GOD WANTS US TO ACCOMPLISH THROUGH OUR life WILL BE ACHIEVED WITHIN OUR life'S SPAN."

Gary Walter
President
Evangelical Covenant Church

LEGACY is what we leave or pass down to those who follow us. There are three types of legacy:

- *Financial legacy* -- money and possessions
- *Social legacy* -- the impact we make on the world around us
- *Personal legacy* -- accumulated wisdom, traditions and values

The heirs of our legacy are not just children and family; but society as a whole, charities we support, and the people whose lives we touch.

Building your legacy is a life work. It takes careful thought and diligent planning, and is a work-in-progress from beginning to end. Since **you** are at the heart of your legacy, it's important to plan for your present as well as your future. *Stewardship* is the management of everything God has entrusted to us: time, talent, treasure—all the elements of legacy.

WHAT IS YOUR LEGACY? HOW CAN WE HELP YOU BUILD IT?



COVENANT TRUST COMPANY[®]

WHO WE ARE

Covenant Trust Company is *your* financial services resource for:

- Legacy Planning
- Trustee Services and Asset Management
- Retirement Planning

WHO CAN USE OUR SERVICES

Covenant Trust Company is happy to work with anyone who desires to participate in the work of Covenant ministries through a bequest or other deferred gift arrangement and who needs help working through financial planning for the future, regardless of age or net worth.

LEGACY PLANNING

Covenant Trust Company:

- Brings a total stewardship perspective to legacy planning
- Assists people as they focus on legacy-building goals for their lifetime and for the future benefit of their families, friends and designated Covenant ministries
- Suggests available options to achieve the goals you identify, and helps put plans into action
- Addresses your concerns about how to provide for your future, and protect your spouse and family if something happens to you
- Helps you understand how you may be able to leave a significant financial legacy to your favorite Covenant ministries through a bequest or other deferred gift arrangement
- Reviews existing financial and estate plans
- Assists in getting planning documents prepared by a qualified attorney
- Explains the purpose and importance of planning documents such as trusts, wills and powers of attorney and whether a revocable living trust might be helpful in your situation
- Provides information and specific examples of various types of charitable life income agreements including charitable gift annuities and charitable remainder unitrusts



COVENANT TRUST COMPANY®

TRUSTEE SERVICES AND ASSET MANAGEMENT

Covenant Trust Company is a non-depository trust company chartered and regulated by the Illinois Department of Financial & Professional Regulation, Division of Banking, Bureau of Banks, Trust Companies & Savings Institutions. Covenant Trust Company can assist individuals and Covenant ministries nationwide; and currently manages in excess of \$436 million in fiduciary assets.

Covenant Trust Company:

- Serves as trustee for revocable living trusts
- Provides professional investment management through Investment Management Accounts
- Manages Covenant Endowment Trust accounts which benefit Covenant ministries
- IRAs

RETIREMENT PLANNING

Covenant Trust Company:

- Assists you in understanding your current financial situation and savings options
- Offers trustee services for Individual Retirement Accounts
- Provides online resources through Retirement Central™ (retirement calculators, questions about retirement plans, Social Security and Medicare, and things you need to be thinking about at each stage of your life to prepare for retirement)





YOUR FINANCIAL SERVICES RESOURCE

OTHER BENEFITS

- **People** are always at the heart of what we do
- Trained Financial Services Representatives are available to give assistance whenever needed
- There is a Financial Services Representative in each regional conference
- Each Covenant Retirement Communities campus receives regular visits from its own Financial Services Representative
- There is no obligation on your part for requesting information or meeting with a Financial Services Representative
- There are no high-pressure sales tactics from us
- We pledge total confidentiality and privacy
- We listen to your goals and desires, because we know every situation is unique and there is no pre-packaged plan that's right for everyone



We always encourage you to consult your own attorney, accountant or other professional advisors, and we are happy to work with them. We are available to give you and your advisors the best possible help.



SERVICES PROVIDED

FOR INDIVIDUALS AND COUPLES

Covenant Trust Company provides a full range of financial and estate planning tools.

Estate and Financial Planning Assistance and Resources

- Identify objectives; evaluate options; implement plans
- Assistance in getting estate planning documents prepared
- Wide-ranging website and printed resources available

Will—everyone should have one!

- Provides for the care and guardianship of minor children
- Appoints a personal representative to handle the affairs of your estate
- Distributes personal property remaining in your estate at death
- May provide charitable bequests
- May establish other trusts or accounts to care for dependents or others

Durable Financial Power of Attorney—everyone should have one!

- Names a person to act in a financial capacity in case you cannot
- Gives authority to that person for such actions as paying bills, etc.

Durable Power of Attorney for Health Care—everyone should have one!

- Names a person to make medical and health care decisions in case you cannot
- States your wishes about issues related to quality of life, death and dying in case of coma, Alzheimer's, profound injury, etc.

Revocable Living Trusts—a flexible financial planning tool

- Professional trustee service
- Assets in trust do not pass through probate
- Provides professional financial management and continuity in case of disability, incapacity or death of one spouse
- Provides for family members and charities you support





SERVICES PROVIDED

Asset Management

Investment Management Accounts^[1]

- Professional asset management, with investment philosophy based on appropriate asset allocation for your goals and risk tolerance

Covenant Endowment Trust Accounts^[1] [minimum \$5,000]

- Distribute specified percentage of income to designated Covenant ministries each quarter
- Funds established in perpetuity or for a period of years
- Professional investment management of endowment account assets
- Ensures that funds will always be used for your designated purpose

Retirement Planning

Individual Retirement Accounts^[1]

- Traditional, Roth and SEP IRAs
- Rollovers and transfers
- Calculators and retirement planning

Planned Giving [Life Income Agreements]

Charitable Gift Annuity [minimum gift \$5,000]

Immediate—payouts begin immediately

- Irrevocable gift provides a charitable deduction and other tax benefits
- Makes fixed payouts to annuitants for life
- Eventual residue goes to Covenant ministries of donor's choice

Deferred—payouts begin at future time selected by donor

- Carries same benefits as immediate gift annuity
- May be used as a retirement savings tool

Charitable Remainder Unitrust [minimum gift \$50,000]

- May be funded with cash, appreciated securities or unencumbered real estate
- Irrevocable gift provides charitable income tax deduction
- Eliminates capital gain on appreciated assets at time of sale
- Annual payout equals stated percentage of trust value at each December 31

^[1]Some services are fee-based. Ask your Financial Services Representative for a copy of our fee schedule.



SERVICES PROVIDED

Planned Giving [Life Income Agreements] cont.

Charitable Remainder Annuity Trust [minimum gift \$50,000]

- Irrevocable gift provides charitable income tax deduction
- May be funded with cash or appreciated securities
- Eliminates capital gain on appreciated assets at time of sale
- Annual payout amount fixed when trust is established

Charitable Lead Trust

- Provides income from trust assets to charity for a period of years
- Trust assets distributed to designated family members or others at end of period

Covenant Pooled Income Funds [minimum \$5,000]

Pooled Income Fund I [Income] and Pooled Income Fund II [Growth]

- Irrevocable gift provides charitable income tax deduction
- Assets invested as a pool
- Fund I annual payout based on proportionate share of fund earnings
- Fund II annual payout approximately 5% to allow excess earnings to be reinvested

Charitable Life Estate

- An irrevocable gift of real estate in a residence, farm, acreage, etc. which provides a charitable income tax deduction
- Donor can continue to use property, and has responsibility for taxes, insurance, maintenance, etc.
- At death or surrender of life estate, property reverts to designated Covenant ministries

Gift Accounts [Donor Advised Funds]

- Donor makes periodic lump-sum gifts to account, receives charitable contribution deduction when gift is made
- Donor directs disbursements from fund as gifts to Covenant ministries





SERVICES PROVIDED

FOR COVENANT MINISTRIES

Workshops

What is Your Legacy?

Estate and Financial Planning topics

A Lifelong Journey...faith, family and finances

Financial Planning topics for those ages 20-50

Are You Ready?

Financial Planning considerations especially for women

Creative Giving

Capital Campaign gifting opportunities other than cash

Investment Strategies for Interesting Times

Investment basics and the importance of asset allocation

Strategic Planning

Board and ministry leadership consultations/workshops

Stewardship of ministry resources

- Investment Management Accounts^[1]
- Covenant Endowment Trust Accounts^[1]

How to increase bequests and other deferred gifts

Processing Stock Gifts

- Resources on-line or by telephone on how to process stock gifts received by local ministries

Personal Planning

- Assistance for pastors, ministry leaders and staff members for their personal financial and retirement planning
- On-line and printed materials available

Electronic and printed resources for members and friends to encourage deferred gifts to ministry

- Financial planning brochures and printed handouts helpful in current financial management
- Written materials for bulletins, bulletin boards, newsletters, etc.
- Extensive website resources

^[1]Some services are fee-based. Ask your Financial Services Representative for a copy of our fee schedule.



A word about COVENANT MINISTRIES

All Covenant ministries benefit when more people understand the advantages and importance of charitable gifts. Generous people making legacy plans that include charitable provisions significantly impact all ministries of The Evangelical Covenant Church. These include local churches throughout the country, Bible camps, homes for troubled children and developmentally disabled adults, regional conferences and conference programs, North Park University, and Covenant Ministries of Benevolence, as well as denominational ministries both at home and abroad.

Please note: It is not necessary to be a member of a Covenant church to work with Covenant Trust Company. For example, both non-Covenant alumni of North Park University and non-Covenant residents of Covenant Retirement Communities have made their legacy plans with the assistance of Covenant Trust Company.

Another important point to remember is that while part of our goal is to help Covenant ministries increase what they receive through deferred gifts, **the interests and desires of the donor and family always come first.**





Vision, Mission, Values of COVENANT TRUST COMPANY

OUR VISION

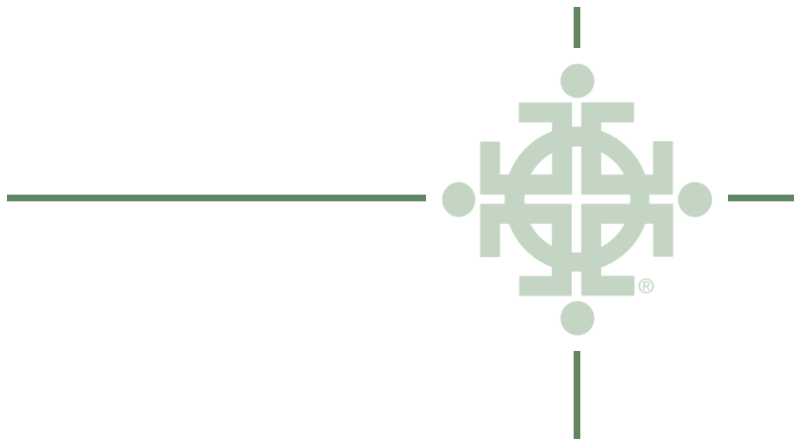
To awaken people to the significance of stewardship through estate planning and financial management

OUR MISSION

To provide comprehensive estate planning and financial management resources to all members, friends and ministries of The Evangelical Covenant Church

OUR VALUES

- To demonstrate **integrity** by building honest, interactive relationships with clients and each other based on Christ-centered principles
- To seek **excellence** by challenging ourselves to learn and grow professionally and personally to achieve the highest levels of service and performance
- To show our **commitment to ministry** by helping our clients find a way to honor God through their personal financial plan



Information contained in this brochure is for purposes of information and education only, and is not intended as either tax or legal advice. Consult your personal tax and/or legal adviser for specific information.

You... thoughtful planning helps you identify and achieve your personal financial goals and objectives, plus gives you peace of mind



Your Family... a financial and legacy plan that is fully developed and kept current enables you to provide for your family in case of disability or death

Your Charitable Dream... your vision for the covenant ministries you care about, and how you might help insure their future



what is YOUR legacy?



how can we help you build it?

