



IABWF

INSURING A BETTER WORLD FUND

# IMPACT

Newsletter

This quarter will be the 3rd year IABWF will attend and host a booth at the CGP annual conference in Baltimore. The attendees are both very dedicated and highly educated. CLATS, CRATS, private companies, art...the people who attend this conference (the most prestigious of all the planned giving conferences) can guide their donors through the best way to give them to the donor's favorite charity.

In the three years I have heard nothing new to talk about but many excellent ways to take advantage of the traditional methods of giving.

IABWF is something new. Charities are putting increased importance on a planned gift combined with an annual gift also known as a blended gift. IABWF IS THAT PERFECT BLEND.

IABWF donors no longer pay premium on donated life insurance policies they no longer need, want or can afford.

IABWF donors give their life insurance policy net proceeds to their favorite charity the new planned gift and stop paying life insurance premium....the new annual gift to their favorite charity!

Add to that the IABWF pivot. Does your charity accept charitable gift annuities? Insurance bequests? Specific will bequests? If so, the IABWF is your charities perfect pivot conversation. For years, planned giving professionals have developed, nurtured and satisfied the needs of their donor portfolio.

Now there is something new for you to talk about. A new conversation starter. Does your donor have a life insurance policy they no longer want, need or can afford? Most donors will say no! Time to pivot! If not, does the donor own life insurance that the charity can be named partial beneficiary of? How about a specific bequest in the will? How about a charitable gift annuity?

If you do not have a charitable annuity program, get one. See Bryan Clontz ASAP. If you do not have a life insurance agent, or agents, that you work with, get one or more. We can help you find an agent.

The dues paying model is disintegrating. Endowments are more important. Planned giving needs to be able to take advantage of every gift opportunity.

The life insurance market is a \$19.6 TRILLION DOLLARS and 88%, or over about \$17 TRILLION DOLLARS, will lapse or expire. Last year over \$100 billion dollars lapsed or expired alone. IABWF allows charities smart access to this vast market. IABWF pays all the premiums, manages all policies and administers all policies!



**IABWF Board Members Nico Herrera, Robert Stuchiner and David Simon with NCPP 2016 \$10,000 donation raffle winner, Jonathan Kreshken from The Citadel (second from the right).**



## Do your donors wish they could give more to charity?

Your donors have life insurance they no longer want, need or can afford. Over \$100 billion dollars was available just last year. IABWF can help give back your charity access to this vast market. IABWF smart access lets your charity accept life insurance policies at no cost to you or the donor.

YOU CHOOSE



WE PAY



CHARITIES RECEIVE



IABWF has donated more than \$400,000 since their inception in 2013. The Insuring a Better World Fund allows donors to make charitable gifts of unneeded, unwanted, or unaffordable life insurance policies to the charities of their choice. IABWF not only relieves donors of their premiums but enables donors to experience the joy of making a difference today.

## IABWF Provides Seed Funding for the Pope Francis Legal Clinic in Oakland, California



**Pope Francis  
Legal Clinic**  
Free Legal Consultation

The *Insuring a Better World Fund* (IABWF) provided seed funding to help launch the Pope Francis Legal Clinic in the Diocese of Oakland. The Diocese is home to 550,000 members. The Clinic began construction of its facilities on January 11, 2016 and was dedicated in a ceremony officiated by Bishop Michael C. Barber, SJ.



**Nico Herrera,**  
IABWF Board  
Member

Currently, the Pope Francis Legal Clinic is open Tuesdays and Thursdays and serves all members of the community, regardless of creed. In addition to IABWF's monetary support, one of IABWF's board members, Nico Herrera, provided critical leadership in convening an advisory board of attorneys to plan and staff the *pro bono* legal clinic's operations.

Bishop Barber thanked IABWF for its support. IABWF is proud to have played a small part in allowing indigent people in Oakland's surrounding areas with access to justice and possible reconciliation with opposing parties.

## Insurance Carriers Increase Cost of Insurance Charges

In the past couple of years, several of the largest insurance carriers in the United States have increased cost of insurance charges on existing life insurance policies. This action is virtually unprecedented. Because people are living longer, one would expect lower insurance charges rather than higher. The driving force behind these costs of insurance increases is the prolonged low-interest rate environment, which hurt the life insurance companies' ability to grow reserves to pay the life insurance benefits.

As a result of the cost of insurance rate increases, many individuals and charities have decided they no longer wish to keep their insurance policies. Many individual policies are offered for sale to the life settlement industry. There is a large increase in the number of life settlement transactions this year. As more policies become available, charities are positioned through IABWF to receive a similar spike in life insurance gifts.

It is critical that you review your life insurance policy assets to determine if any policies have been subject to an insurance rate increase. The IABWF policy review can help you identify any such policies. It is equally critical to take advantage of this opportunity to receive millions of dollars from unwanted life insurance policies at no cost to the charity or the donor.

## New Florida law HB1077 — Informing Policyowners

On June 26, 2017 Florida Governor Rick Scott signed legislation HB 1077 into law. The law requires insurance companies to inform life insurance policyowners that they can receive additional information about their options when making changes to the status of their life insurance policy.

For example, consumers have superior alternatives to lapsing or surrendering policies, such as donating them to charity or selling them in the life settlement market.

The law recognizes that policyowners should be informed of these better alternatives.

There are several states that have either enacted or are considering enacting similar pieces of legislation.



**Gov. Rick Scott**

For some policyowners, IABWF may present the best solution for donating life insurance policies to charity. A donation through IABWF avoids financially burdening supported charities with premium payments. Moreover, the donor may be able to enjoy a valuable tax-deduction based on the appraised fair-market value of the donated policy.

IABWF aggregates life insurance policies donated to many charities into diverse portfolios and pays all premium and other expenses to maintain them. IABWF expertly selects which policies are accepted into the program and administers them on behalf of its supported charities. There is no expense or administrative work required from IABWF's supported charities or donors.

## IABWF Offers Life Insurance Audits

The *Insuring a Better World Fund* (IABWF) offers complimentary Life Insurance Policy Reviews and Audits for charities.

Many charities have received donations of life insurance policies—and may even have active programs for soliciting such donations. These policies require monitoring and updates to ensure they are properly funded, and that the death benefits are structured to maximize the charities' net payments.

### Audit Objectives

- ▶ Identify and organize complete inventory of policies owned by the charity.
- ▶ Review and analyze current status of all policies in cooperation with issuing carriers.
- ▶ Determine strategies to maximize value of policies for charities.

Given the environment of prolonged low-interest rates, many life insurance policies are not performing as expected. Many—including policies that were supposed to have been fully paid—may expire without the payment of additional substantial premium. Charities face other potential problems, including issues arising surrounding the transfer of ownership and beneficiary designation.

A new area of concern has recently emerged because of the decision of certain insurance carriers to increase the cost of insurance on existing policies. (*See separate article in this issue focusing on this problem.*)

A Life Insurance Policy Review and Audit will let you know if your policies are properly funded, and what the cost will be to maintain the policy. Our review and audit will also include a review of ownership and beneficiary designations.

We will give you a score for each policy to let you know how healthy the policy is, and whether the policy is in danger of lapsing. Finally, our review and audit will discuss the potential for IABWF to pay any ongoing premium obligations.

## Last Year's NCPP 2016 Dallas Donation Raffle Winners

At NCPP 2016 Dallas Conference, IABWF hosted a donation raffle drawing for NCPP attendees to win a grand total of \$18,000 for the winners' charities. IABWF was proud to donate to the diverse range of charities on behalf of the winners.

**\$10,000** — **The Citadel** is a college located in beautiful Charleston, South Carolina and is noted for its educational reputation. Founded in 1842, The Citadel is best known nationally for its Corps of Cadets. The men and women in the Corps live and study under a classical military system that makes leadership and character development an essential part of the educational experience while emphasizing the core values of honor, duty and respect.

**\$5,000** — **Cru** is a ministry started in 1951 by Bill and Vonette Bright on the UCLA campus as "Campus Crusade for Christ". The ministry has grown to a presence in 191 countries. Cru's purpose is to send Christ-centered multiplying disciples who launch spiritual movements.

**\$1,000** - **Carnegie Mellon University** is a private, global research university located in Pittsburgh, Pennsylvania that was founded in 1900. Carnegie Mellon stands among the world's most renowned educational institutions with cutting-edge brain science, path-breaking performances, innovative start-ups, driverless cars, big data, big ambitions, Nobel and Turing prizes, hands-on learning, and their many robots.

**\$1,000** — Established in 1988, **Washington Regional Medical**

**Foundation** is a not-for-profit charitable corporation providing support to the activities of Washington Regional Hospital. The Foundation conducts philanthropic projects, events, programs and services designed to meet its mission of improving the health of the communities served by Washington Regional, which is the only locally owned, not-for-profit medical system in Northwest Arkansas.



**\$1,000** — **WTTW** is a premier public media organization committed to creating and presenting independent, unique television and digital media content. WTTW is dedicated to bringing Chicago and the world together and invite audiences to explore the knowledge and creative life of the arts, sciences, humanities, and public affairs. It is committed to diverse perspectives, accessibility, innovation, community engagement and life-long learning. WTTW offers balanced programming that promotes independent, objective, in-depth reporting and encourage their audiences to engage in dialogue and make informed decisions.

Don't forget to stop by IABWF's Booth 7 to enter for your chance to win a donation raffle. The donation raffle drawing will be held at 3:00 PM on Tuesday, October 10th.

# A Message

## From the President

It has been a privilege for me to meet so many planned giving professionals over the last three years. After spending the first 30+ years in the for-profit world, experiencing the passion and feeling of satisfaction the not-for-profit world offers in abundance is renewing. Charities from universities to hospitals to combatting disease are all staffed with people making a difference. We were formed to help. It is only because of you and with you that IABWF will be successful in directing millions of dollars of wasted life insurance to charity. Thank you. Let's do this!



David B. Simon, President, Co-Founding Member

***Join us in ensuring a better world for us all.***

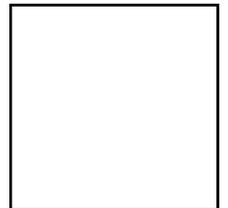
***[www.IABWF.org](http://www.IABWF.org)***

*Please note that we are not tax advisors and cannot give potential donors tax advice. Potential donors should consult their tax professionals about their specific circumstances and the necessity of retaining an independent, qualified appraiser.*



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YOU CHOOSE



WE PAY



CHARITIES RECEIVE