



The Tracks You Leave Behind

LEGACY AND FINANCIAL PLANNING NEWS
FOR FRIENDS OF DEFENDERS

Saving Alaska's Wolves from Aerial Killing

Wolves are a keystone species that play a vital role in keeping the ecosystems they inhabit in balance. In addition to their intelligence, acute hearing, and keen sense of smell—up to 100 times more sensitive than that of humans—some researchers estimate that wolves can run as fast as 40 miles an hour. What they have no chance of outrunning, however, are airplanes and snowmobiles being used in Alaska to kill wolves.

Although the Alaskan public voted twice to ban this brutal practice, Governor Murkowski, elected in 2003, signed a law passed by the legislature that year overturning the ban. Defenders has been working ever since at the state and federal level to restore the public's will. In July, our Senior Director of Conservation Programs Caroline Kennedy traveled to Alaska to assist our in-state partner, Alaskans for Wildlife, with their signature drive to once again place this issue before the public on a state ballot measure.



“The trip was encouraging,” reports Caroline. “Our partners on the ground are close to securing the signatures needed to put aerial gunning on the ballot again. In Washington, D.C. we are exploring new ways to strengthen and clarify the Federal Airborne Hunting Act. We are also preparing a legal challenge in state court to stop Alaska's continued aerial gunning programs.”

Caroline also noted, “We've just hired two new staff and thanks to our many caring members who've given so generously, we will remain vigilant until this senseless slaughter has ended.”

For more information on Saving Alaska's Wolves, visit <http://www.defenders.org/wildlife/wolf/alaska.html>.



Inside This Issue . . .

- How Defenders' Gift Annuity Program benefits you three ways
- Don't Miss Our Phone Seminar!
- Meet Wildlife Defender Betty Chaffin

Defenders' Charitable Gift Annuity Program Can Benefit You Three Ways



HIGHER INCOME • TAX SAVINGS • WILDLIFE PROTECTION

A charitable gift annuity is a gift to Defenders of Wildlife from which you receive a fixed income for life, and provide invaluable support to save wildlife and the habitat it needs to survive.

Gift annuities provide an attractive rate of return that will never change after the gift is created. Charitable gift annuities are simple to establish (you must be 50 or older and make a minimum gift of \$5,000). Most Defenders have established gift annuities that provide immediate, regular income for themselves and other important people in their lives. Others have created a deferred gift annuity as a way to provide retirement income.

Approximately one-third of our annuity participants have already made multiple gifts, including Defender Betty Chaffin who is profiled on page 4. The program now

totals more than \$3 million, with individual gifts ranging in size from the \$5,000 minimum to a gift of almost \$200,000.

Is a Defenders Gift Annuity right for you? Here's how the program works, along with a few helpful income planning illustrations.

How the Program Works

Charitable gift annuities may be funded with cash, appreciated stock, or mutual funds. When you make your gift of cash or marketable securities, you will receive a set dollar amount each year beginning immediately or on a future date of your choosing. Once annuity payments begin, they continue for the rest of your life and provide the security of an income stream you can never outlive. You can also establish gift annuities to provide for other individuals.

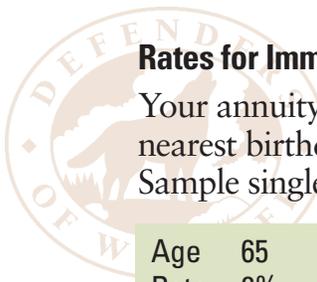
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4 Ways Gift Annuities Can Provide for You and Others

Here are four ways you can provide an income stream for another individual (e.g., a spouse, brother, sister, friend, adult child or household employee) with your gift annuity.

1. Establish a two-life gift annuity for yourself and your spouse.
2. Establish a gift annuity that will first make payments to you for life and then make payments to a loved one if he/she survives you.
3. Establish a gift annuity now for one or two other individuals if you don't need the income yourself. (They will get the income and you will get the deduction).
4. Establish a testamentary gift annuity through your will to provide income to one or two loved ones.

Two-life annuity rates are somewhat lower than one-life rates, but still quite attractive. And, gifts for others may have gift or estate tax considerations.



Rates for Immediate Payment Annuities

Your annuity rate will depend on your age (at nearest birthday) when you make your gift. Sample single-life rates are shown below.

Age	65	70	75	80	85	90
Rate	6%	6.5%	7.1%	8%	9.5%	11.3%

Illustration: Donate \$10,000 at age 80 and receive \$800 every year (8%) for the rest of your life.

Rates for Deferred Gift Annuities

If you want the income from your gift to begin on a future date, you can set up a deferred gift annuity. Your annuity rate will depend on your current age and the period of time you wait for your annuity payments to begin. The longer you defer your payments, the higher your rate. Sample rates for individuals 55 – 65 with five- and ten-year deferrals are shown below.

Age now	Five year deferral	Ten year deferral
55	7.3%	9.9%
60	7.7%	10.7%
65	8.3%	11.7%

Illustration: Establish a \$10,000 deferred annuity at age 60 with payments to begin at age 65 and receive \$770 every year (7.7%). Defer your payments until age 70 and receive \$1,070 every year (10.7%).

Tax Benefits

Whether you choose an immediate or deferred payment annuity, you will receive an income tax deduction for a portion of the value of your gift in the year you make the gift. Plus, part of your annuity will be either completely tax-free or taxable as capital gain (maximum 15% through the end of 2010), depending on the asset you donate.

Illustration: Establish an annuity in 2006 at age 75 with \$25,000 cash. You will get a tax deduction of \$11,873 in 2006. Plus, 60% of your annuity (\$1057.90 of the \$1775 you will receive each year) will be completely tax-free for the first 12.4 years (your actuarial life-expectancy under IRS table). If you outlive your life-expectancy, your annuity payments will then become taxable as ordinary income.

Visit www.defenders.org

Defenders of Wildlife Cordially Invites You to a Phone Seminar on

Keeping Track of Changes in Income Tax Planning Estate Planning and Charitable Gift Planning

Including important tax law changes in two new bills: TIPRA and the Pension Protection Act of 2006



Dr. Alice Pinsley will share the latest planning information during Defenders' toll-free phone seminar.

Thursday, November 16th
12:00 - 2:00 P.M. Eastern Time

To reserve your place call us toll-free at 800-915-6789 or e-mail ekennedy@defenders.org or return the enclosed reply form.





Meet Wildlife Defender Betty Chaffin

CHOOSING CHARITABLE GIFT ANNUITIES TO SAVE WILDLIFE



With my children settled, and grandchildren in college, I just think it made sense to establish my two charitable gift annuities with Defenders of Wildlife,” says Betty Chaffin. “Putting my money where it can save wildlife is so much better than leaving it in the bank where it’s not really doing any good.”

Betty is concerned about the loss and disruption of wildlife habitat she sees every day. “When we moved to our home in the hills above Alameda Creek in 1963, I saw blue herons and white egrets all the time,” recalls Betty. “They fed on the frogs in the creek. But with more and more development, the creek flow decreased, there were fewer frogs, and I



BETTY CHAFFIN

haven’t even seen a blue heron in five years.”

That’s why Betty is so supportive of Defenders. She knows about our work to protect wetlands and water flows in California. She also likes Defenders innovative programs, such as our wolf compensation fund. Betty is drawn to the

practical nature of the fund, which works to promote collaboration with the livestock industry, a critical player in wolf recovery. To ensure that ranchers not suffer financial loss in the rare instances in which wolves kill livestock, Defenders pays owners for losses to wolves.

Betty, who was born of Dutch parents on the island of Java, came to California in 1923 with her mother and sister. She attributes her interest in nature and the outdoors to the years she worked picking fruit during the Great Depression. Besides creating two gift annuities with Defenders’, Betty is also thinking about the future by encouraging her granddaughter’s growing interest in the environment.

For more information . . .



ABOUT CREATING A DEFENDERS’ GIFT ANNUITY OR LEGACY GIFT IN YOUR ESTATE PLANS, PLEASE CONTACT:

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