WEALTH REPLACEMENT TRUSTS

Kansans have found that they can have mixed feelings about making a gift to their hometown. While donating assets satisfies the objective of helping their hometown, the reduction this gift makes in the size of their estate may cause concern about the future financial security of their family. Combining two planning tools, a Charitable Remainder Trust with a Wealth Replacement Trust, can be an answer to this concern.

These trusts will provide the following benefits:

Income Benefits

- A lifetime income in either a fixed or variable amount.
- The potential to increase current income.
- Professional and independent management of the gifted assets.

Income Tax Benefits

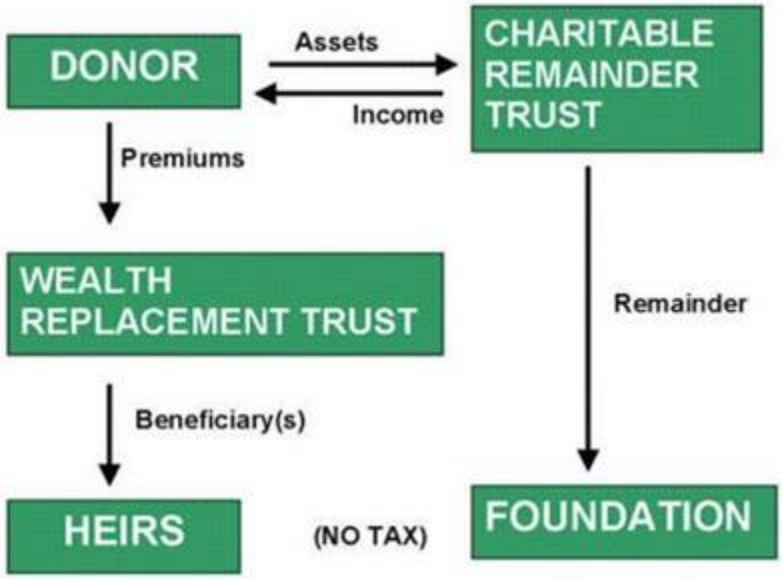
- An immediate charitable gift income tax deduction.
- Capital gains taxes on appreciated assets are bypassed.

Estate Tax Benefits

- Estate taxes are reduced by removing the gifted assets from your client's taxable estate.

How it Works

This gift plan uses life insurance to replace the value of the assets transferred into a Charitable Remainder Trust for the benefit of your client's community. Typically, the life insurance policy is placed inside of a Wealth Replacement Trust for the benefit of a spouse, children or other heirs. Gifts are made annually to the trust equal to the amount of the annual insurance premium. The income payments from the Charitable Remainder Trust are used to pay the premium.



Wealth Replacement Trust Benefits

- Replaces assets given to benefit your community.
- Passes wealth outside of your taxable estate.
- Avoids probate expenses and publicity.
- Takes advantage of gift tax laws.

Note: The above information is of a general nature and is not intended as legal advice.