



Eight Ways to Make a Bequest and a Difference

- 1. Specific bequest** – This is a gift of a specific item to a specific beneficiary. For example, "I give my golf clubs to my nephew, John." If that specific property has been disposed of before death, the bequest fails and no claim can be made to any other property.
 - 2. General bequest** – This is usually a gift of a stated sum of money. It will not fail, even if there is not sufficient cash to meet the bequest—even if other assets need to be sold. For example, "I give \$50,000 to my daughter, Mary."
 - 3. Contingent bequest** – This is a bequest made on condition that a certain event must occur before distribution to the beneficiary. For example, "I give \$50,000 to my son, Joe, provided he enrolls in college before age 21."
 - 4. Residuary bequest** – This is a gift of all the "rest, residue and remainder" of your estate after all other bequests, debts and taxes have been paid. For example, say your estate is worth \$500,000, and you intend to give a child \$50,000 by specific bequest and the residuary estate to your spouse. If the debts, taxes and expenses are \$100,000, there would only be \$350,000 left for the surviving spouse. Most people prefer to divide their estates according to *percentages* of the residue (rather than specifying dollar amounts), to ensure that your beneficiaries receive the proportions you desire.
- The previous items can apply in the case of bequests to individual heirs or bequests to charitable organizations, such as Donnelly College. The following items are special considerations when you plan a charitable bequest to help support our mission.
- 5. Unrestricted bequest to Donnelly College** – This is a gift for the general purposes of the College, to be used at the discretion of the President and Board of Trustees.
 - 6. Restricted bequest** – This type of gift allows you to specify how the funds are used. It's best, however, to consult your attorney when you make your will to be certain your intent can be fulfilled.
 - 7. Honorary or memorial bequest** – This is a gift given "in honor" or "in memory" of someone.
 - 8. Endowed bequest** – This bequest allows you to restrict the principal of your gift, requiring us to hold the funds permanently and use only a small percentage or the income they generate. Creating an endowment in this manner means that your gift can continue giving indefinitely.