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Children's National™

Give. Receive. Be a Champion for Children.

"I live in the moment," says Children's National donor Shari Sternberger. "A half hour from now, something could happen and I could not be here, so I try to live for right now. It was Wayne, my husband, who really began 'thinking forward' about our retirement planning, about leaving a legacy that will someday help others."

The couple, who recently celebrated their 38th wedding anniversary, met in the seventh grade. Wayne holds a PhD in ocean engineering and has spent his life in the world of science, having served as a chief scientist at Johns Hopkins Applied Physics Laboratory for more than 30 years. Shari is a holistic practitioner who founded National Capital Therapy Dogs in 1990. She is certified in healing touch, colorpuncture, and will soon be certified in aromatherapy.

"We balance each other," says Shari of their professional work. Yet, despite their different approaches, both believe in the importance of giving back.

As part of their overall retirement planning, Shari and Wayne set up a deferred Charitable Gift Annuity with Children's National that will provide income to them in retirement. This option enables them to make a gift and in return receive fixed annual payments for life that will begin once they retire. Part of their payments are tax-free, and their gift qualifies for an immediate income tax charitable deduction. At the end of the contract, the remainder of their gift will support programs and services at Children's National.



Shari and Wayne Sternberger, Guardian Society members

For the Sternbergers, selecting the charitable gift annuity was not an automatic decision, but one they arrived at after careful consideration. First, they took a tour of Children's National to better understand its operations and culture. Then, they began attending events to learn more about its impact on the community. "When I walked through Children's National, it felt like a place where the whole family is cared for," recalls Shari. "It's not just about treating the disease; it's about looking at the whole family."

What You Should Know About the Charitable Gift Annuity

A charitable gift annuity is an agreement. In exchange for your gift of cash or property, Children's National contractually agrees to pay you (and/or someone you designate) a fixed amount each year for life. The payment amount is fixed when the gift annuity is set up, based on the age of the person receiving the payments, the amount of the gift, when payments begin, and rates then in effect. A gift annuity can be for one or two people.

Remember that:

- Once payments begin, they continue for your lifetime.
- Choosing a deferred gift annuity generally results in a higher payment rate than one in which payments begin immediately.
- A gift annuity is part gift and part annuity. So you are eligible for an income tax deduction based on the gift portion of the property (cash or stock) to Children's National.
- For a certain number of years (determined by IRS life expectancy tables), part of your annuity payment is considered a tax-free return of principal. During this period you pay taxes on only a portion of the payment you receive.



Sammy Rosenkranz with his sister Reese. Read his story on page 4.

Support Our Work through Your IRA

Donors age 70^{1/2} and over have a smart giving option in 2013—the IRA Charitable Rollover. A simple one-step distribution from your IRA to Children's National is all it takes. It counts toward your yearly required minimum distribution (RMD). Plus, it is not counted as income for federal tax purposes.

The entire distribution goes to support our work—none of the money is lost to taxes (which you would otherwise need to pay). It is a smart and beneficial way to use the 2013 distribution you are required to take.

Contact us for more information about this unique way to make a difference. The IRA Charitable Rollover expires Dec. 31, 2013.

The Deferred Gift Annuity: Benefit by Planning Ahead

Establishing a deferred gift annuity can be a useful strategy for getting tax relief during high-income career years and, later, enhancing retirement income. It is a way to integrate philanthropy with your retirement planning. In addition, if you are hindered by existing limits on contributions to qualified retirement plans, a deferred gift annuity can be another way to provide for future retirement needs while helping children in need.

Those who receive an inheritance or receive funds from the sale of property or a business interest might also benefit from a deferred gift annuity that provides an income tax deduction now and fixed payments at a later date. Finally, a deferred gift annuity is attractive to anyone who wants to support our work and is also mindful of future retirement needs. The gift annuity is a practical way to give today while planning for tomorrow.



Personal Action Plan

If you are interested in learning more about the Charitable Gift Annuity:

- Request our complimentary brochure, **Planning with Gift Annuities**, and visit our website to learn more.
- Discuss your needs and plans with your advisor(s).
- Contact us for a personalized illustration showing how a gift annuity might be tailored to meet your planning needs.

Thank you for caring about the patients and families we serve every day.

Charitable Gift Annuity Payments: Now or Later

DONOR AGE: 75	IMMEDIATE CGA	5-YEAR DEFERRED CGA
Cash gift to Children's National	\$ 20,000	\$ 20,000
Fixed annual payments for life	\$ 1,160 (at 5.8%)	\$ 1,580 (at 7.9%)
Tax-free portion of payments	\$ 874	\$ 916
Income tax deduction	\$ 9,154	\$ 11,387

Examples are for illustrative purposes only, and are based on an AFR of 2.0% and an annual payment. Stocks or appreciated property may also be used to fund the gift annuity. Gift annuities start at \$10,000.



The Sternbergers

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Over time, the Sternbergers became more familiar with the work and employees at Children's National. "When we were ready to discuss our plans, they were there," recalls Shari. "I never once felt rushed."

After meeting with their financial planner and Children's National gift planning representative Vikki Ismael, the couple embarked on a seven-month journey during which they mapped out their financial future. "We realized it is

very possible to leave a legacy that may be considered small compared to other such gifts in the world, but that could still be 'big' in terms of its impact," says Wayne. "The objective for us is to have our legacy gift help as many kids as possible."

Hearing this, Shari smiles and adds, "Children's National has an animal therapy program and thinks about things holistically. They take everybody, they don't deny. Money is not the concern. They are championing the children. The healthy child and the happy whole family is the package they strive for."

The Guardian Society

recognizes the very special people who have included Children's National in their will and other estate gifts. Their forethought and generosity will help to ensure world-class care, advocacy, research, and education at Children's National through a lasting legacy.

To learn more about making a legacy gift and how to become a member of The Guardian Society, please visit our website www.childrensnational.org/giftplanning or contact Rita Corwin.

Our Tax ID is #52-1650402.



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Children's News

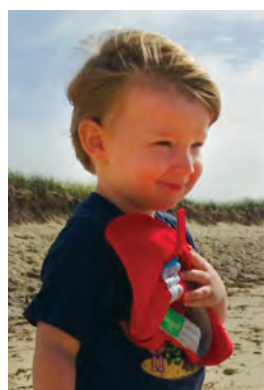
Children's National Leads the Way in Youth Concussion Care

Nearly 4 million sports- and recreation-related concussions occur each year, and over the past decade, visits to the emergency room by kids with concussions have skyrocketed. This is more than a quiet epidemic—it is a critical public health problem.

Through the **Safe Concussion Outcome, Recovery & Education (SCORE) Program**, Children's National is tackling concussions in kids. This national model of excellence for student-athletes is led by Gerard Gioia, PhD, a renowned expert and leading voice in youth concussion.

"Concussions in children are especially serious because their brains are still developing," he says. "Concussions can impact a child's memory, learning, and even survival. They also lead to re-injury and long-term problems for many children, such as impaired mental acuity and poor performance in school."

Children's National will unveil SCORE nationally through expanded educational outreach, partnership development, groundbreaking research, advanced technology, and a vision for community testing centers across the United States. Plans to build a resource center headquartered in Maryland are also underway.



Sammy's Story

Sammy Rosenkranz was born during a blizzard, which his mom Taryn says was a sign of things to come. Just days after Sammy's delivery, his pediatrician heard a faint heart murmur and told his mom to have it checked out immediately. The cardiologist informed Taryn that Sammy had a hole in his heart and would need surgery. He explained that Sammy should

wait three months to have the surgery, when he would be stronger. Just two weeks later, Sammy went into congestive heart failure and was rushed to the Cardiac Intensive Care Unit at Children's National. At five weeks, Sammy underwent surgery. Nearly three years old now, Sammy is the type of boy who would "hang upside down from the chandelier," says Taryn. "He is always smiling and loves to play with his cars and trucks."

To learn more about Sammy, go to www.childrensnational.org/testimonials