

CHARITABLE REMAINDER TRUSTS

Benefit Your Favorite Charities, Create an Income Stream and Save Taxes



What is a Charitable Remainder Trust (CRT)?

A Charitable Remainder Trust is an irrevocable tax-exempt trust available in annuity trust or unitrust formats. Properly structured, these trusts can create a charitable legacy and a current income stream, while saving taxes too. Some limitations may apply.

The Challenge

- Would a substantial gift to charity, without depleting your estate for your heirs, be appealing?
- Do you have highly appreciated assets in your portfolio, such as real estate or stock?
- Would you like to increase your cash flow without incurring capital gains tax and reduce current income tax, through charitable deductions, at the same time?

The Solution

Put highly appreciated assets to work for you by considering a CRT. With a CRT, one or more charities that you select can ultimately benefit from your donation. Additionally, your highly appreciated assets can be converted into a lifetime income stream without generating capital gains on the sale of the assets. By establishing a CRT you can potentially:

- Make a significant future charitable gift
- Create a stream of lifetime income to supplement your retirement
- Defer capital gains and reduce estate taxation
- Reduce current income taxes via a charitable deduction

How can I find out if a Charitable Remainder Trust is right for me?

CRTs are sophisticated and require special legal, accounting and tax administration. Your financial professional or registered representative can assist you in bringing together the necessary parties to review your situation and determine if a CRT is right for you.

Making the Investment Choice

Once a Charitable Remainder Trust is established, highly appreciated assets can be transferred into the trust, sold without incurring a capital gains tax and the proceeds reinvested. While income can be earned from many different types of investments, a variable annuity can be ideal for a certain type of CRT known as the net income with make-up CRT. Variable annuities offer diversified investment opportunities, professional money management, and flexibility in withdrawing income. When purchased within a CRT, Pacific Life variable annuities may permit 100% of earnings to be withdrawn free of withdrawal charges at any time for flexibility of income distribution.

No bank guarantee	Not a deposit
Not FDIC/NCUA insured	May lose value
Not insured by any federal government agency	

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You should carefully consider a variable annuity's risks, charges, limitations and expenses, as well as the risks, charges, expenses and investment objectives of the underlying investment options. This and other information about Pacific Life are in prospectuses available from your registered representative or by calling (800) 722-2333. Read the prospectuses carefully before investing.

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Pacific Life Insurance Company is licensed to issue individual life insurance and annuity products in all states except New York. Product availability and features may vary by state.

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Registered representative's name & firm:

State insurance license number:

Contract Form Series 10-103, 10-167, 10-178, 10-1108, 10-1116
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