GIVE IN A WAY THAT WILL CHANGE LIVES FOREVER!

Empowerment through Bequest or Endowment

Three Methods for Legacy Giving

There are three ways you can make a gift that will continue to do good in the future:

A. Creating a simple bequest in your will or trust
B. Creating a specific-use bequest in your will or trust
C. Creating an endowed fund during your lifetime

Method A: Creating a simple bequest in your will

This is the simplest method. You simply ask whoever is in charge of your estate documents - your will or your trust - to insert this sample bequest language in Your Will or Trust. (For US-based taxpayers, Sustainable Cambodia's Tax EIN is 20-0175973):

- "[I/We], [Name/Names], of [City], [State] [Country], hereby give, devise and bequeath to Sustainable Cambodia, Inc., a nonprofit of corporation , of 1110 NE 3rd St., Gainesville, FL 32601, United States of America, [AUD$ or USD$ written dollar amount / or percentage of the estate / or description of property] to be used at the discretion of the Board of Directors of Sustainable Cambodia, Inc.

Method B: Creating a specific-use bequest in your will or trust

This is similar to the simple bequest, but it allows you to specify the use of the funds in your bequest:

- "[I/We], [Name/Names], of [City], [State] [Country], hereby give, devise and bequeath to Sustainable Cambodia, Inc., a nonprofit of corporation , of 1110 NE 3rd St., Gainesville, FL 32601, United States of America, [AUD$ or USD$ written dollar amount / or percentage of the estate / or description of property] to be used, in its discretion, for the support of [continued education of name of student / or student education in Cambodia / or wells and sanitation / or any area of use you wish to designate]. If, in the sole discretion of Sustainable Cambodia, such specific use is either not possible or not practicable, then any remaining assets of this bequeathment shall be used by Sustainable Cambodia for purposes as similar, in the determination of Sustainable Cambodia, as is possible."

Method C: Giving an endowed fund <u>during your lifetime</u>

Unlike the bequests, this is a way to provide an endowed fund that you create and give to now:

How an Endowment Works

- Sustainable Cambodia will establish an Endowed Fund for you, in whatever name you wish. The Endowed Fund can be named after you, your family, your business, or in honor or memory of a person or organization of your choice.
- You will then make a donation to the Endowed Fund in the amount of $25,000 (USD) or more*, in the form of cash, appreciated stocks, or other assets.
- Your gift will be pooled with other endowments and invested over time. The earnings it generates provides a stream of funding to support the good work forever.
- You receive tax benefits in the year you make your gift.
- Your Endowed Fund will provide a lasting resource that will empower rural Cambodian children and families for years into the future. Your endowment becomes a permanent fund with Sustainable Cambodia, which will make an immediate impact during your lifetime and continue providing help for future generations.

  **We ask for this as a minimum because SC also depends on the generosity of donors who give for the annual operations of SC. The Endowed Funds cannot be used for those annual operations… only the interest earned can be used. So, it is important that we encourage both types of giving. It is also possible, of course, to do both in any year, and/or to make multi-year commitments to establish an endowed fund. Tell us what works for you, and we'll work it out.*

Assets You Can Give

In any of the methods, you can give any of the following:

- Cash Gifts
- Multi-Year Pledges
- IRA Qualified Charitable Distributions (for those in the US over 72 years of age (or 70½ as of 1/1/20).
- Securities
- Real Estate

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SC operates under a unique management model, utilizing only native Cambodians for all paid staff positions and having all international directors, officers, and managers be volunteers who pay their own expenses. This model keeps organization overhead extremely low, ensuring that nearly all funding goes directly into the on-the-ground programs.

All information provided is for general informational purposes only and is not intended to be a substitute for professional legal advice. The pages following provide more details about Sustainable Cambodia for those you may be assisting you with your plans.

- GIVING THAT CHANGES LIVES FOREVER -

Empowerment through Bequeathment & Endowment

About Sustainable Cambodia
Sustainable Cambodia is a nonprofit organization dedicated to helping rural Cambodian families transform their lives and the lives of their children through a proven model of sustainability and self-sufficiency.

Established in 2004, the mission of Sustainable Cambodia (SC) revolves around a comprehensive empowerment model through which village families help to install wells, latrines and water catchment, receive training in alternative agriculture for income generation, and send their children to SC schools. Through this comprehensive model, rural villages are lifted from poverty and hardship, paving the way for long-term self-reliance and growth.

Background
The context in which Sustainable Cambodia operates is the post-Khmer Rouge genocide. Despite the country having made strides in recovery since the devastating genocide, Cambodia remains one of the world's poorest countries. Rural areas face severe challenges such as poverty, lack of healthcare, low education levels, limited economic opportunities, and scarce resources.

Empowerment vs Aid
Sustainable Cambodia's development model is unique. Besides being comprehensive rather than focused on one aspect such as water or healthcare, the SC model is based on empowerment rather than mere aid. SC adopts the proverbial "teach a person to fish" philosophy but take it further by promoting a "pass-it-on" model within the villages. This approach ensures that not only do families help themselves, but they also contribute to the well-being of neighboring villages. The result is sustainable development within villages and replicating the model as more families volunteer to help nearby villages.

Program Areas
Sustainable Cambodia's programs span across various essential areas:

- Education: Central to the education initiative are two main schools (Sylvia Lasky Memorial School and the Kravanh Bright Future Center) supported partially by student sponsorship, and three schools supported by the TC Swartz and First Days of School Foundations, as well as village preschools. These programs offer access to quality education and ensure that children are equipped with the tools and knowledge necessary to break the cycle of poverty.
- Safe Water & Sanitation Programs: Access to clean drinking water is a fundamental human need. Sustainable Cambodia's efforts in providing wells, biosand filters, and rooftop rainwater harvesters not only improve health and reduce disease but also free children from the arduous task of hauling water, allowing them to attend school regularly. The program also includes latrines for sanitation, and training in health and hygiene.

- Food Security & Health: The initiative includes the Pass-On Farm Animal Program, as well as gardens, irrigation projects, and healthcare initiatives ensure that communities have adequate food and good nutrition, leading to better health, less child labor, and increased access to education.
- Income Generation Programs: These programs, including animal pass-on, sewing, and fair trade, equip community members with income-generating skills. The goal is to break the cycle of poverty by enabling families to support themselves and become self-reliant.

Minimal Overhead

Sustainable Cambodia's unique model of involving local Cambodians as paid staff and relying on international volunteers for leadership roles ensures that over 97% of donations go directly to on-the-ground projects. This transparency and efficiency mean that every contribution directly impacts the lives of rural village families.

How Your Support Makes a Difference

Supporting Sustainable Cambodia is fulfilling for several reasons. First, it represents an opportunity to make a real difference in the lives of some of the world's most deserving and vulnerable families. By addressing immediate needs while also promoting sustainability, they offer a pathway out of poverty that empowers individuals and communities to shape their own futures. In addition, SC's approach of community empowerment and "pass-it-on" creates a ripple effect, with the impact spreading to neighboring villages. In a country like Cambodia, where poverty remains a significant challenge, Sustainable Cambodia's work changes individual lives and contributes to the region's broader socio-economic development. By supporting SC, you can be part of a transformative journey that brings hope and self-sufficiency to rural Cambodian communities, one family at a time.

The Importance of Bequeathment & Endowment

Through bequeathment and endowment, you will know you are creating a lasting resource that empowers rural Cambodian families. If you choose Endowment, you have the opportunity to witness the impact of your gift as it grows over time. You can be a part of rural Cambodian villages' present and future, securing necessities for the well-being of future generations. As the needs and opportunities of these communities change over time, your intentions are preserved, ensuring that grants continue to enhance lives in the enduring legacy of the fund you establish.

About U.S. Individual Retirement Account (IRA) Qualified Charitable Distributions

For U.S. citizens with an IRA, if you are 72+ years of age (or 70 1/2 or older as of January 1, 2020) and not using your Required Minimum Distribution (RMD) for your living expenses, you can reduce your taxable income by using your RMD to make an IRA Qualified Charitable Distribution (QCD) to an eligible charity such as Sustainable Cambodia. For example, in certain cases if the owner of an IRA instructs her IRA administrator to direct her RMD as a QCD to Sustainable Cambodia, the RMD is excluded from her taxable income, and federal taxable income would be reduced and therefore potentially subject to a lower federal tax rate.

* Note: *This is a simplified example, and not tax or legal advice.*

Giving Stocks & Securities – For U.S. Taxpayers

Donating appreciated stock has a benefit that does not apply to cash donations— you completely avoid paying capital gains tax on the appreciation so long as you have held the stock for more than one year.

The chart* below illustrates this benefit:

	Give Cash	Sell Appreciated Stock and Give Proceeds	Give Appreciated Stock
Value	$50,000	$50,000	$50,000
Cost Basis	$50,000	$20,000	$20,000
Appreciation	N/A	$30,000	$30,000
Tax on Sale	N/A	$9,000	N/A
Value of gift (net proceeds)	$50,000	$41,000	$50,000
Deduction (subject to AGI limitations)	$50,000	$14,000	$50,000
Tax Benefit	N/A	N/A	$9,000
Net Benefit	$50,000 x tax rate	$41,000 x tax rate	$50,000 x tax rate + $9,000

** Again, this is a simplified example, and not tax or legal advice.*

Giving Real Estate – For U.S. Taxpayers

Gifts of appreciated real estate can offer similar benefits to those of gifts of appreciated stock. It can make sense to donate real estate that meets the following criteria:

- The property has been held for more than a year and has appreciated significantly.
- The property is marketable and relatively easy and cost-effective to liquidate.
- The property is debt-free.
- You, as the owner, are willing to irrevocably transfer the property to the charity, which will negotiate the sale price and control the sale, often using an experienced intermediary.
- Sale negotiations have not proceeded to the point at which the IRS would consider it a prearranged sale.

Sustainable Cambodia can help you review any gift intentions on a case-by-case basis.

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