

BEQUEST LANGUAGE

The following language may be helpful in planning a bequest to Caltech.

Unrestricted Bequest

I give (*describe dollar amount, property to be given, or proportion of residuary estate*) to the California Institute of Technology, a California not-for-profit corporation located in Pasadena, California 91125, for its general educational and charitable purposes.

Bequest to Endowment (for general purposes)

I give (*describe dollar amount, property to be given, or proportion of residuary estate*) to the California Institute of Technology, a California not-for-profit corporation located in Pasadena, California 91125, to establish the (*name of fund*) Endowment Fund to be used for its general educational and charitable purposes. This gift will be added to Caltech's general endowment and maintained as a separated endowed fund. The Institute shall hold, manage, invest, reinvest, collect income and disburse assets in accordance with its policies and procedures applicable to its general endowment. The Institute's spending policy for distributions of endowment income supporting the purpose of the Fund (known as "endowment spending" or "payout") is established from time to time by the Board of Trustees. This endowment will be subject to such spending policy and all other applicable Caltech policies and procedures.

In accordance with such policies and procedures, investment return in excess of endowment spending remains invested in the endowed fund and is available for future endowment spending. Payout, distributed for spending, that remains unspent at the end of the fiscal year shall be retained to support the purpose of the Fund in subsequent fiscal years.

The endowed fund shall remain in use for perpetuity of the Institute's existence. If the purpose of the endowment is no longer relevant at some point in the future, in Caltech's sole discretion, the Provost may designate the use of the fund to some other use that aligns in the best possible manner with the initial intent of the fund.

Bequest to Endowment (for specific purpose)

I give (*describe dollar amount, property to be given, or proportion of residuary estate*) to the California Institute of Technology, a California not-for-profit corporation located in Pasadena, California 91125, to establish the (*name of fund*) Endowment Fund to support (*describe use*).

This gift will be added to Caltech's general endowment and maintained as a separated endowed fund. The Institute shall hold, manage, invest, reinvest, collect income and disburse assets in accordance with its policies and procedures applicable to its general endowment. The Institute's spending policy for distributions of endowment income supporting the purpose of the Fund (known as "endowment spending" or "payout") is established from time to time by the Board of Trustees. This endowment will be subject to such spending policy and all other applicable Caltech policies and procedures.

In accordance with such policies and procedures, investment return in excess of endowment spending remains invested in the endowed fund and is available for future endowment spending. Payout, distributed for spending, that remains unspent at the end of the fiscal year shall be retained to support the purpose of the Fund in subsequent fiscal years.

The endowed fund shall remain in use for perpetuity of the Institute's existence. If the purpose of the endowment is no longer relevant at some point in the future, in Caltech's sole discretion, the Provost may designate the use of the fund to some other use that aligns in the best possible manner with the initial intent of the fund.

If the assets at the time of distribution are insufficient to meet the then-prevailing minimum endowment requirement, the funds should (*choose one of the two options*) be added to Caltech's general endowment fund in support of similar areas **OR** be used to establish the maximum level of endowment that the funds will support at the time of distribution.

When an estate includes assets producing taxable "income in respect of a decedent" (IRD) such as an IRA, 401(k) or other similar retirement accounts, the following clause should be considered for inclusion in any bequest to Caltech, subject to review by an estate planning counsel:

This bequest shall be paid out of "income in respect of a decedent," as that term is defined in the Internal Revenue Code, to the fullest extent possible. If such "income in respect of a decedent," as valued for U.S. estate tax purposes, is insufficient to pay this bequest, then the balance shall be paid to the extent necessary out of the general assets of my estate.

We are unable to give you legal, tax or other professional advice. This sample bequest language is for you to share with your own attorney to assist you with appropriate estate planning documents. Revised August 2017.

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Caltech