For Mariza “Mitz” Santiano, graduating from Loyola (BBA ’85) was the launching pad for a skyrocketing career in sales. She got the entrepreneurial “bug” early in life, selling hot dogs and Kool-Aid outside of her family’s Chicago apartment as well as Christmas cards and seed packets to her neighbors. While attending Loyola on a scholarship she also worked full-time at Chicago’s Apparel Center, but the struggle was worth it.

“I had five job offers when I graduated,” says Santiano. Tiring of Chicago’s difficult winters, she relocated to Southern California to sell teddy bears and gifts with Russ Berrie and Company, Inc.

Her career also included owning her own business for five years as an Enesco representative and rejoining Russ Berrie, on her own terms, as a district manager.

For the last decade Santiano has pursued a different dream—as a realtor. “I now sell single-family homes and apartment buildings to all the people that I used to sell teddy bears to,” she says.

Santiano is also an advocate for Loyola alumni, serving as president of the Loyola Alumni Club in northern California. “She has really energized the club—and its members,” says Patrick Ryan, Loyola’s regional director of planned gifts. “She’s taken a leadership role, organizing a variety of events for the entire year, from baseball games to horseracing events.”

“One of those events had quite an impact on our four-legged friends in the Bay area. ‘I partnered Loyola alumni, Coldwell Banker, and the Peninsula Humane Society together in an effort to provide basic needs, such as towels and blankets, for homeless animals,’ says Santiano.

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But it is the values that Santiano learned at Loyola that have helped to define her life. “In this tough real estate market, what you give is what you get,” she explains. “Distressed property owners are overwhelmed, but my heart tells me that I can help these people even though there’s not always a guarantee of getting paid. It’s better to be a giver than a receiver.”

To prove the point, Santiano has named Loyola as the beneficiary of her life insurance policy. “Gifts of life insurance are often overlooked but may be a simple and powerful way for donors to make a meaningful gift to Loyola University Chicago,” says Jamie Orsini, Loyola’s director of planned giving. “Donors can make a gift of life insurance in several ways, including naming the University as

Friend to animals and people leaves a legacy

countries, including a trip this fall to China. “During my stay in China, I’m planning to visit Loyola’s campus in Beijing to help promote the alumni association there as well,” she says.

“While I was struggling to get through school, Loyola was there when I needed it most.”

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Preparing people to lead extraordinary lives
On September 20, 2008, Loyola launched its biggest fund-raising campaign to date. Partner: The Campaign for the Future of Loyola seeks to raise $500 million to support student scholarships, medical research, new facilities, and other key initiatives for Loyola University Chicago and the Loyola University Health System.

At the campaign launch gala held on a beautiful fall evening near Loyola's Water Tower Campus, Presidents Michael J. Garanzini, S.J., and Dr. Paul Whelton announced that, thanks to dedicated supporters, Loyola had already raised $270 million. The campaign promises to continue Loyola’s extraordinary recent momentum and usher in a new age of learning and health care in Chicago. For more information, please visit LUC.edu/partner.

Good news—the tax-free IRA charitable rollover is back!

The special opportunity that expired at the end of 2007 has been extended to 12/31/09.

According to this new legislation, such gifts can:

1. Count toward your required minimum distributions, and
2. Be excluded from your gross income: a tax-free rollover

Please let us help you plan your gifts to Loyola in a way that will make best use of your support while improving your financial outlook. Return the enclosed reply card for more information. We also invite you to contact us at 312.915.6424 to let us know how we can help.

Friend to animals continued

a beneficiary of your life insurance policy or transferring to Loyola ownership of an existing policy that you no longer need.”

For Santiano the decision to name Loyola as a beneficiary is a way to give back and make a difference. “While I was struggling to get through school, Loyola was there when I needed it most,” she says. “Alumni should take the opportunity to help other students. We all need to think about the legacy we’ll leave.”
Often, people are surprised to learn that there are many ways to make a gift to charity and receive a stream of income in the process. You may have been vaguely aware of the possibilities but never examined in detail how such a charitable gift could fit your own long-term financial needs. The current period of low interest rates makes several of these charitable planning strategies more appealing than ever.

The oldest and most popular gift arrangement is the charitable gift annuity, which returns to the donor—or one or two beneficiaries—a stream of income for life, based on a fixed percentage of the amount of the gift.

The rate in effect when you acquire a gift annuity never changes. It is guaranteed for life.

In light of current market conditions, gift annuity rates are very appealing. But there are other factors that enhance them even more. You receive a deduction in the year you fund the annuity, and each year—for the duration of your life expectancy—a portion of each payment you receive is tax-free. These tax benefits effectively increase your yield, as the following example demonstrates.

**Example:** Mary J, 70, contributes $10,000 to Loyola in exchange for a gift annuity that will pay her $610 annually. The gift produces an income-tax deduction of $3,712 that, in her 28 percent marginal income-tax bracket, saves her $1,039 (28 percent of $3,712). Thus, her out-of-pocket cost for the annuity is $8,961, and the $610 annual payment to her is equivalent to a 6.8 percent return.

Because part of the annual payment Mary J receives from the annuity is tax-free ($395 of the $610 is not taxed), her return is the equivalent of $764 of taxable income. Measured against her out-of-pocket cost ($8,961), this represents an equivalent, fully taxable yield of 8.5 percent.

You should not select a gift annuity merely for a higher return, since you are irrevocably committing the principal to us. But if you are looking for a way to make a significant gift and generate increased cash flow, gift annuities are very appealing—perhaps even more so in current economic conditions.

**Gifts of bonds avoid capital-gain tax**

As interest rates fall, the price of bonds goes up. **The reason:** Since bonds pay a fixed amount of interest, the bond market is seeking price levels where the yield-on-investment more closely reflects current returns on other investments. That means higher bond prices.

For example, a long-term bond with a face value of $175,000 and a coupon rate of 10 percent issued a number of years ago will pay $17,500 interest each year, regardless of its market value. Because the 10 percent nominal rate is significantly higher than current rates, investors are willing to pay a premium—perhaps more than $250,000—to get the bond’s $17,500 annual income. Those who bought high-interest bonds at par several years ago have probably seen their value go up substantially—if they haven’t been called in the meantime. This is the good news.

The bad news comes in two parts. First, if an investor holds on to

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### $10,000 Gift Annuity

<table>
<thead>
<tr>
<th>Age(s)</th>
<th>Payout Rate</th>
<th>Total Annual &quot;Income&quot;</th>
<th>Tax-Free Portion</th>
<th>Allowable Charitable Deduction</th>
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<td>One Annuitant</td>
<td>60</td>
<td>5.5%</td>
<td>$550</td>
<td>$316</td>
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<td></td>
<td>65</td>
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<td>85</td>
<td>8.9%</td>
<td>$890</td>
<td>$692</td>
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<td>Two Annuitants</td>
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<tr>
<td></td>
<td>65-65</td>
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<td>80-80</td>
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<td>85-85</td>
<td>7.4%</td>
<td>$740</td>
<td>$562</td>
</tr>
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</table>

Calculations are based on quarterly payments and a discount rate of 3.6 percent.
Save the date!

Doris Kearns Goodwin, “Lincoln and Leadership”
Wednesday, February 11, 2009
7:00 p.m. in Madonna della Strada Chapel, Lake Shore Campus

The centerpiece of Loyola’s celebration of Lincoln’s Bicentennial will be a presentation on “Lincoln and Leadership” by award-winning and best-selling author Doris Kearns Goodwin on the evening of Lincoln’s 200th birthday, February 11, 2009. Ms. Goodwin will make her presentation in Madonna della Strada and will be followed with a reception. Tickets are free and will be available to the public on a first-come, first-served basis.

Accordingly, they structure the trust to pay themselves $15,000 each year (6 percent of $250,000) as long as either of them lives. After their deaths, the principal will pass to Loyola.

The gift produces a charitable tax deduction of $95,775. In their 35 percent marginal income-tax bracket, this saves them more than $33,500 in taxes (35 percent of $95,775). Tom and Ruth invest the tax savings at an average of 5 percent to generate an additional $1,675 of income.

If you have highly appreciated bonds and are not concerned with receiving a return from your gift, you would still find them an excellent choice for an outright gift. You can deduct the full fair-market value of a bond given outright and avoid any tax on the appreciation. This is another wonderful way to capture the benefits of a bond’s increase in value while supporting Loyola.

Call on us

For further information about opportunities during a period of low interest rates, please return the enclosed card for your complimentary copy of Charitable Solutions to Investment Dilemmas.