

Blacksmith Annual Fund

Gifts of Appreciated Stock

HOW IT WORKS

1. Identify a stock, bond, or other security where you have a capital gain. (i.e. the current price is higher than when you bought it)
2. Donate enough shares of the security -- instead of cash -- for your donation amount. (see specific instructions below)
3. Westlake Academy Foundation sells the security but pays no tax as it is a non-profit entity.
4. If you want, repurchase the security donated with the cash you would have used for your donation.

WHY DO IT

- Avoid the capital gain you would have paid if you had sold the security and donated the cash.
- Increase the tax basis in the security you donated to the repurchase price, if you repurchase it.
- Also allows you to divest an appreciated security, without paying capital gain, and buy something else.

HOW TO DO THIS *(it's easy!)*

1. Call or email your account representative and tell them you want to donate to Westlake Academy Foundation.
2. Supply the following information to your account representative:

RBC Wealth Management DTC #0235

Account #321-75210 for Westlake Academy Foundation

Westlake Academy Foundation TIN: 20-0033926

Name of security to be delivered & quantity

RBC Wealth Management address: 100 Crescent Ct, Suite 1500 Dallas, TX 75201

RBC contact = Susanne Clift (susanne.clift@rbc.com; 214-775-6456)

Please copy Dr. Shelly Myers (SMyers@WestlakeAcademy.org) on any emailed correspondence re. donating securities, so that the Foundation office can appropriately track, record and acknowledge. Thank you!

SIMPLE EXAMPLE

XYZ stock current price (\$/share) \$2,000.00

XYZ stock purchase price (\$/share) \$1,000.00

Capital gain \$1,000.00

Long term capital gain tax rate 15%

Long term capital gain (in \$) \$150.00

XYZ stock repurchase price (\$/share) \$2,000.00

XYZ stock current price (\$/share) \$2,000.00

Capital gain \$0.00



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